



# Amati AIM VCT plc

Annual Report &  
Financial Statements

For the year ended 31 January 2025

Company Registration No. 04138683

**Amati**  
Global Investors

Finely crafted investments

# Amati AIM VCT plc

## OUR STRATEGY

The investment objective of the Company is to generate tax free capital gains and income on investors' funds through investments primarily in AIM-traded companies.

## DIVIDEND POLICY

The Board aims to pay annual dividends of around 5% of the Company's Net Asset Value at its immediately preceding financial year end, subject to distributable reserves and cash resources, and with the authority to increase or decrease this level at the Directors' discretion.

## Company Registration No. 04138683

This document is important. Shareholders who are in any doubt as to what action to take should consult an appropriate independent adviser. If you have sold or transferred all your shares in the Company, this document should be passed to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee.

## Highlights

For the year ended 31 January 2025

NAV Total return  
for the year<sup>†</sup>

**-2.4%**

(2024: -22.6%)

**£10.0m**

invested in qualifying  
holdings during the year  
(2024: £13.3m)

**2.1%**

Ongoing charges<sup>\*\*†</sup>

(2024: 2.0%)

Year end  
Net Asset Value per share<sup>†</sup>

**76.4p**

(2024: 94.7p)

**6.4%**

Discount to NAV<sup>†</sup>

(2024: 6.6%)

**22.0%**

Dividend yield<sup>\*\*\*†</sup>

(2024: 5.3%)

### Key data

	31/01/25	31/01/24
Net Asset Value ("NAV")	£111.5m	£143.1m
Shares in issue	146,009,780	151,069,824
NAV per share <sup>†</sup>	76.4p	94.7p
Share price	71.5p	88.5p
Market capitalisation	£104.4m	£133.7m
Share price discount to NAV <sup>†</sup>	6.4%	6.6%
NAV Total Return for the year (assuming re-invested dividends)	-2.4%	-22.6%
Deutsche Numis Alternative Markets Total Return Index*	-2.7%	-12.1%
Ongoing charges <sup>**†</sup>	2.1%	2.0%
Dividends paid and declared in respect of the year	16.5p	5.0p

\* Deutsche Numis Alternative Markets Index is included as a comparator benchmark for performance as this index includes all companies listed on qualifying UK alternative markets.

\*\* Ongoing charges calculated in accordance with the Association of Investment Companies' ("AIC's") guidance.

\*\*\* Dividend yield based on year end NAV and includes special dividends.

† See Alternative Performance Measures on pages 81 and 82.

### Highlights 1

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## Highlights

### Table of investor returns to 31 January 2025

From	Date	NAV Total Return with dividends re-invested	Deutsche Numis Alternative Markets Total Return Index
NAV following re-launch of the VCT under management of Amati Global Investors ("Amati")	9 November 2011*	81.1%	12.0%
NAV following appointment of Amati as Manager of the VCT, which was known as ViCTory VCT at the time	25 March 2010	90.0%	15.1%

\* Date of the share capital reconstruction when the NAV was rebased to approximately 100p per share.  
A table of historic returns is included on page 80.

### Dividends paid and declared



**2025**  
**230.0%**

2025 total dividends  
per share

**16.50p**



**2024**  
**28.6%**

Cumulative  
dividends per share

**114.24p**

**22.0% of NAV**

### Dividend history

Since the re-launch of the VCT under the management of Amati Global Investors\*

Year ended 31 January	Total dividends per share** p	Cumulative dividends per share p
2011	4.74	4.74
2012	5.50	10.24
2013	6.00	16.24
2014	6.75	22.99
2015	6.25	29.24
2016	6.25	35.49
2017	7.00	42.49
2018	8.50	50.99
2019	7.50	58.49
2020	7.75	66.24
2021	10.50	76.74
2022	9.00	85.74
2023	7.00	92.74
2024	5.00	97.74
<b>2025</b>	<b>16.50</b>	<b>114.24</b>

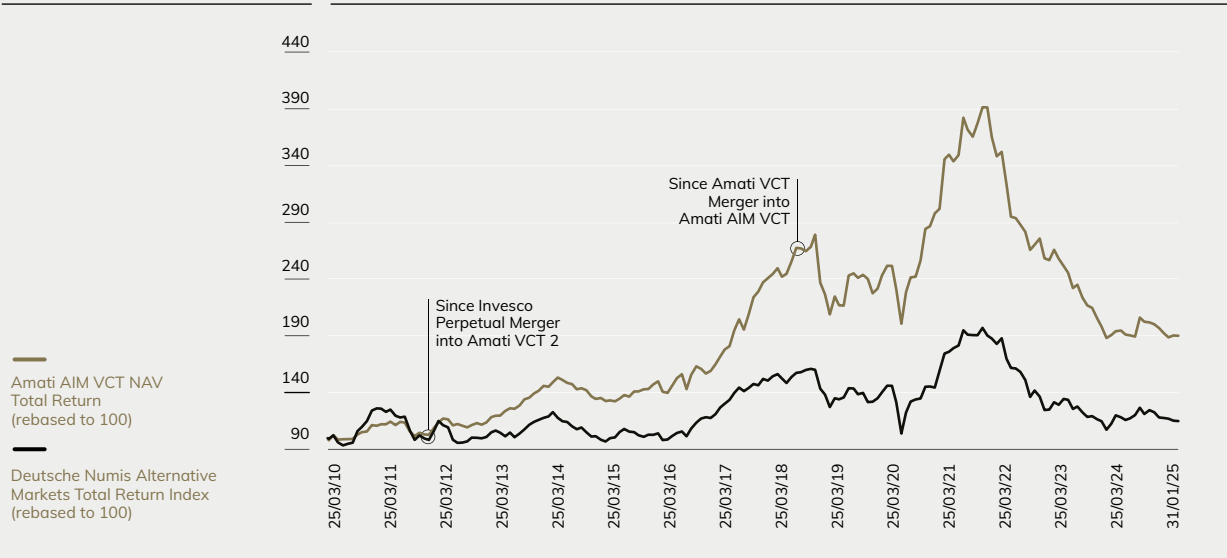
\* On 25 March 2010 Amati Global Investors was appointed as Manager of ViCTory VCT. On 8 November 2011 Invesco Perpetual AIM VCT merged with ViCTory VCT and the name was changed to Amati VCT 2. On 4 May 2018 the Company merged with Amati VCT and the name was changed to Amati AIM VCT.

\*\* Total dividends per share are the declared dividends of the financial year.



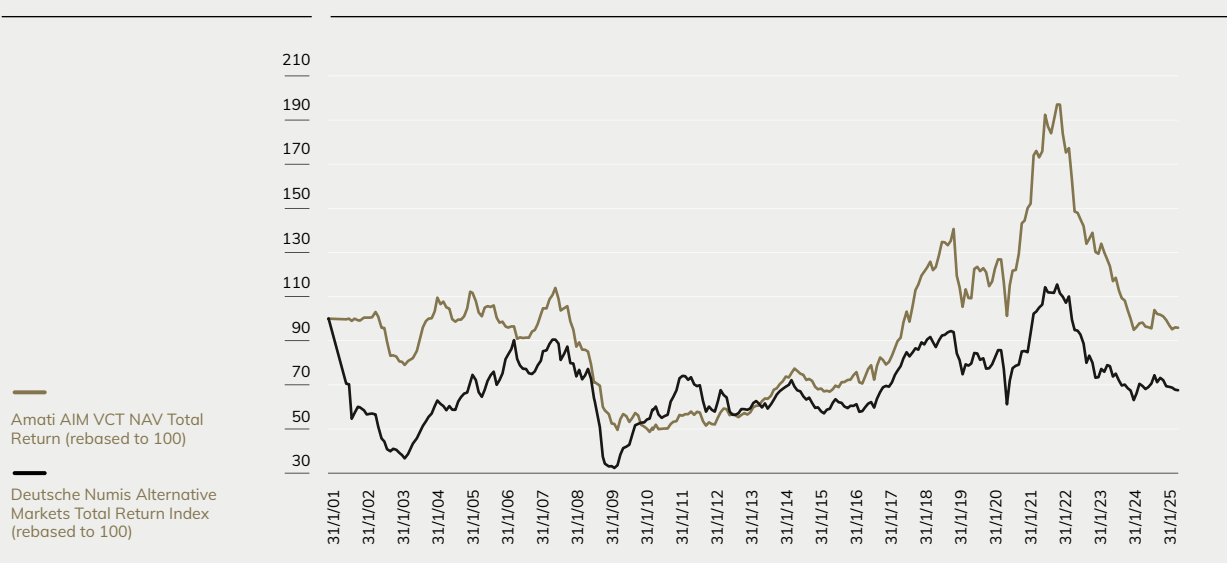
## Fund Performance

**Amati AIM VCT NAV Total Return and Deutsche Numis Alternative Markets Total Return Index from change of Manager on 19 March 2010 (first Net Asset Value calculated on 25 March 2010) to 31 January 2025**



## Historic performance

**Amati AIM VCT NAV Total Return and Deutsche Numis Alternative Markets Total Return Index from inception of fund to 31 January 2025**



## Strategic Report

### Chairman's Statement

This report has been prepared by the Directors in accordance with the requirements of Section 414A of the Companies Act 2006.

Fiona Wollocombe  
Chairman



#### Strategic Review and Change of Manager

The Board announced in March 2024 that it was considering the Company's strategic options in the light of the ongoing challenges in the AIM market and the continuing fall in the company's net asset value. As part of a full strategic review, now into its second year, the Board and the Manager began working on a proposal to address the ability of the Company to widen its investment strategy to facilitate investments in a broader investment market, before evolving into a wider strategic review exploring all options available to the Company and taking into account the wider market outlook, noting in particular the impact of the change of UK government on the UK's fiscal and monetary policies, and on the UK economy (including the AIM market) more generally.

In May 2024, the Board announced that while it was continuing to review the strategic direction of the Company, it had decided to declare a special dividend of 10p per share in view of the high cash levels, limited new investment opportunities on AIM and ongoing realisations within the portfolio. There were still high expectations at this point in the year that if a new government were to be elected any agenda for growth might include a spark of hope for the AIM market. This was sadly not to be borne out.

In September 2024, the Board announced that it was continuing to discuss its strategic options with its Manager but had also received a number of credible indications of interest from third parties, including proposals for a change of manager and proposals to combine its investment portfolio with an existing VCT. These were all carefully reviewed in great detail alongside proposals from the Company's current manager and selected candidates were invited to submit

detailed proposals which addressed various criteria, including without limitation the importance of scale and costs for the Company's shareholders, the medium to long term investment performance prospects of any revised investment policy or strategy, the performance track record of the relevant manager/strategy, the investment opportunities that the Company could benefit from and the depth of resources that would be dedicated to the management of the Company.

In December 2024, following a very poor Budget for growth and which, in particular, further disadvantaged the AIM market, the Board announced the conclusion of its strategic review.

The review concluded that an investment policy relying almost entirely on the AIM new issues market would have very poor prospects and a decision was made by the Board to extend the investment policy to one of "AIM Plus" whereby investments could be made in a wider market of private company opportunities alongside the existing AIM portfolio. I would like to reiterate that this still means shareholders will have exposure to the AIM market through the existing portfolio and if the AIM market is ever resuscitated future investment in AIM will be continued.

The review also considered the skills, experience and resources that would be required by the investment manager to best deliver this strategy. After presentations were received from a number of VCT managers, including the current manager, a decision was taken by the Board to appoint Maven Capital Partners LLP as the new manager of the fund.

The Company has agreed terms for the early termination of the appointment of the current investment manager and entered into a new investment management agreement with Maven under which Maven will be appointed as the Company's investment manager with effect from 1 May 2025. Details of the terms of the new investment management agreement between the Company and Maven will be set out in a separate announcement to be released by the Company on or around 16 April 2025.

Further details around the change of Manager and the selection process will be included in a circular to be issued to shareholders alongside the Company's Notice of AGM.

Given that the increasing trend towards companies opting for a private sale or fundraising rather than an AIM listing shows no sign of slowing, shareholders will be asked to vote on extending the Investment policy at the AGM this year. Further details will be set out in the circular to be issued to shareholders alongside the Company's Notice of AGM.

I would like to thank my Board colleagues for their extraordinary dedication to a long and complex strategic review over many months and also the tireless work of our Company Secretary, Law Debenture, for bringing all the administrative side together so effectively. This decision to change manager was not taken lightly and took many aspects into consideration as well as complex legal and due diligence processes. The Board is also extremely grateful to have received such comprehensive advice from Dickson Minto throughout the strategic review process.

I would like to thank the many shareholders who have written to me with very detailed questions and suggestions throughout the strategic review.

I would also like to pay tribute to Paul Jourdan and his team at Amati for their collaboration in this, sometimes, difficult process. The AIM market has been a particularly tortuous environment for many years. The Board would also like to wish David Stevenson, who recently retired, a happy time in the outside world.

## Dividends

The Board has historically aimed to pay annual dividends of around 5% of the Company's Net Asset Value at its immediately preceding financial year end, subject to the Company's distributable reserves and cash resources, and with the authority to increase or decrease this level at the Directors' discretion. A proposal to increase this to 6% will be presented to shareholders at the forthcoming AGM and further details will be set out in the circular accompanying the Notice of AGM.

In view of the high cash levels, realisations in the portfolios and the scarcity of AIM investment opportunities, the Board declared a special dividend of 10p per share in May 2024. This represented a yield of 10.9% on the NAV of 92.16p per share as of 30 April 2024. An interim dividend of 2.5p per share was announced in September 2024 and in December the Board took the decision to pay a second interim dividend of 1.5p in January 2025. This was around six months earlier than would have been the case had this been a final dividend. The Board felt it prudent to accelerate the timing of the dividend payment so as to have a greater margin of comfort against the VCT qualifying tests. After a number of disposals of qualifying holdings and as challenging conditions on AIM continued, the Board also took the decision to pay a further special dividend of 2.5p at the same time.

As at 31 January 2025 the net asset value was 76.39p. The total dividends paid for the year then ending were 16.5p per share which represents a dividend yield per share of 22%.

The Company's cash balances have remained high in recent months and are forecast to remain so in the light of impending realisations and the continuing low volume of new investment opportunities on AIM.

The Board has therefore decided that it would be appropriate to pay another special dividend to shareholders and has announced a special dividend of 10 pence per share, representing a yield of 12.9% on the year end NAV based on shares in issue at 10 April 2025. The dividend will be paid on 30 May 2025 to shareholders on the register on 2 May 2025. The ex-dividend date will be 1 May 2025. This dividend will be paid in cash as the Dividend Reinvestment Scheme remains suspended.

The Board would like to remind shareholders that the Company has moved to paying all cash dividends by bank transfer, rather than by cheque and details are provided in Shareholder Information on page 80. Please check that you have received your dividends and contact the registrar if you have not. Unpaid dividends are kept by the registrar for a period of 12 years after the payment date and we make every effort to ensure that dividends are received correctly by shareholders.

## Chairman's Statement (continued)

**Annual General Meeting ("AGM")**

The AGM this year will be held at Ironmongers' Hall, Shaftesbury Place, Barbican, London EC2Y 8AA starting at 12pm on 19 June 2025 and all shareholders are invited to attend.

The details of the business to be put to the meeting, as well as information on how to register, will be included in the Notice of AGM, which this year will be sent to shareholders separately and will also be available on the Company's website.

The Board recognises that the Company's AGM represents an important forum for shareholders to put questions to the Directors, to express their views on governance and to become fully informed about matters relating to the AGM resolutions. In addition to asking questions at the AGM, shareholders can email any questions they may have on the business of the AGM to [AmatiAIMVCTChair@amatiglobal.com](mailto:AmatiAIMVCTChair@amatiglobal.com) by 12 June 2025.

The Board is of the opinion that the passing of all resolutions being put to the AGM would be in the best interests of the Company and its shareholders. The Directors recommend that shareholders vote in favour of all resolutions which will be set out in the Notice of Meeting, as they intend to do in respect of their own shareholdings.

**Outlook**

With all global markets now in turmoil after the Trump "Liberation Day" announcements on tariffs, it is impossible to predict at this stage how long lasting and what effects these may have on our portfolio companies and new investment opportunities. There is no certainty as yet as to when stability will reappear. The companies capitalised at the smaller end of the markets, less than £100m and particularly pre-profit stage, are feeling very vulnerable right now.

The predicted "sugar rush" from the USA for acquiring small UK businesses was already showing some signs of stalling even though there is perceived value in hunting grounds such as the AIM market. Any further M&A activity which could affect this portfolio might realistically now be delayed. The complex rules for VCTs in their ability to follow on and further fund their portfolio companies shows no sign of change. There is however a continuing industry lobby to attempt to get this new government to make some, even minor changes, which could be very beneficial to small UK companies. We remain ever hopeful.

The existing portfolio is a solid base to build on performance for the future and the Board is optimistic that the broadened investment market for the VCT will pay dividends for many years to come.

**Fiona Wollocombe**

Chairman

15 April 2025

For any matters relating to your shareholding in the Company or dividend payments, please contact The City Partnership on 01484 240 910, or by email at [registrars@city.uk.com](mailto:registrars@city.uk.com)

For any other matters please contact the Chairman by email at [AmatiAIMVCTChair@amatiglobal.com](mailto:AmatiAIMVCTChair@amatiglobal.com)

Amati currently maintains an informative website for the Company – [www.amatiglobal.com](http://www.amatiglobal.com) – on which monthly investment updates, performance information, and past company reports can be found.



## Fund Manager's Review

### Market Review

Against a positive period for global stock markets, led principally by the “Magnificent 7” in the US, on AIM glimmers of optimism in the first half gave way to anxiety over threatened changes to Inheritance Tax (“IHT”) legislation and tax rises more generally in the Budget, leading to significant market disruption in the Autumn. In the event, the Chancellor of the Exchequer decided to cut the IHT benefits available to AIM investors by half. The positive element here was that it showed that AIM is an intentional beneficiary of the legislation. Managed AIM portfolio services, offering clients direct exposure to the AIM market, account for around 10% of AIM investment, and had created a strong positive current of liquidity in the market over many years, playing a valuable role in helping AIM to become an internationally successful smaller company stock market in a world where these are few and far between. However, the Government has left a situation where so-called “Private IHT services”, which offer to invest clients’ money into asset-owning private companies focused solely on quasi fixed-income generation and which meet the definitions required to qualify for 100% IHT relief, are set to draw a significant amount of money away from AIM over the coming year. From a public policy point of view, this is a nonsensical situation, which we can only presume won’t survive much scrutiny. It is not apparent that any public interest is being served through the subsidising of these private IHT-engineered service companies.

We entered 2024 hoping to see meaningful interest rate cuts across the G7 economies but these were slow to materialise. It was only in June that the ECB started to ease policy, followed by the Bank of England in August and the US Federal Reserve in September. Subsequently all three central banks have eased policy gradually. It was a poor year for investors in government bonds, with yields rising in most major markets. In the UK, 10-year gilt yields rose from 3.8% to 4.5% whilst US Treasury 10-year bond yields increased from 4.0% to 4.6%. In early January there was a mini-bond crisis, triggered by the prospect of threatened US tariff increases stoking

inflation. It became apparent then that the fortunes of the US bond market have a direct bearing on those of global bond markets, and UK yields will become caught up in the gyrations.

The macro-economic outlook in both the US and the UK was heavily influenced by elections in 2024. The UK election concluded in early July with a decisive win for Labour as expected, but the honeymoon period was brief and the strong signalling of impending tax rises over the summer, followed by a Budget in late October which primarily raised taxes on employers, appears to have dented business and consumer confidence since. The “tax and spend” tone to the Budget has led to reduced growth expectations as we enter 2025. Gilt markets have been nervous since then, with the Chancellor now having limited fiscal flexibility and inflation remaining higher than hoped.

The start of President Trump’s second term in the US has been seismic and chaotic for markets, bringing with it a dramatic change in tone and policy across a wide range of economic and geopolitical factors, destabilising the transatlantic alliance on which the peace and prosperity of the Post-World War II era has been based. In January alone the new administration has introduced radical changes to the terms of global trade via increased use of tariffs, souring former alliances and virtually ending all foreign aid wholesale, while seeking to leverage military strength as a way to extort economic benefits from former allies. Within a few weeks of Trump coming to power, this had already caused major departures in foreign policy covering locations such as Ukraine, the Middle East and Europe.

### Performance Review

The VCT’s NAV Total Return for the period was -2.4%. This was slightly ahead of the return from the Deutsche Numis Alternative Markets Total Return Index, which was -2.7%. The gains from the first half of the period of 3.7% for the VCT and 5.3% for the Index were more than reversed in the second.

Takeover activity was a feature of the year, with **Keywords Studios**, **Intelligent Ultrasound**, **Learning Technologies** and **Equals** all receiving bids and each contributing positively to performance in the period. Of these, only Keywords Studios completed during the period, with the other three, now all approved by shareholders, due to complete in the first half of the current financial year. The Keywords sale made the biggest contribution to performance, given it was the largest qualifying investment in the portfolio. It went through at 2,450p in October, which compared to the IPO price of 123p back in July 2013 when the VCT originally invested. Cash generated from the disposal was £9.8m. Given the scale of Keywords’ success, becoming the largest outsourced support services provider to the video games industry worldwide, it should be regarded as a genuine UK success story, which needed only a small amount of backing by AIM VCTs at the start of its journey

## Fund Manager's Review (continued)

on AIM. However, it should be noted that it would not be repeatable after the changes to the VCT legislation in 2016-17, which prohibited VCT funding to be used for acquisitions.

The investment in Intelligent Ultrasound was made over three years from 2019-2022. When this deal completes our return will have been just over 30%, realising £2.9m. The £1.6m investment in Learning Technologies was made in 2015 at 21p per share. We took £1m of profits in 2019 at around 125p, and the final exit price for the remainder will be £6.9m, or 100p per share. Equals was a £1.5m investment, made in four instalments from 2014 to 2017 at an average price of around 48p, with around £1m taken in profits during 2017 at around 60.5p. The remaining holding will realise £2.1m, with the shares being sold under the offer for 135p each and a 5p dividend being paid. The completion of these takeovers will see cash levels rise once again during the first half of the current financial year.

Two of the holdings in the portfolio merged into one during the period. **Belvoir** and **The Property Franchise Group** undertook a nil-premium merger, something we had been encouraging them to do for several years. As well as creating a combined group with significant sales and cost synergy potential, together with an ability to drive national market share amongst UK lettings agencies, it has also resulted in a combined market capitalisation of more than £250m, which brings the company to the attention of a much wider investor audience, with the shares rising around 22% over the period.

There were a number of other notable positive contributors during the period. **SRT Marine** (SRT), a global marine electronics business, which specialises in Maritime Domain Awareness (MDA) systems, as well as Automatic Identification System (AIS) products for the leisure market. Our investment in SRT dates back to 2007 at a share price of 42p and follow-on round in 2012 at 27p. SRT is a good example of the determination and grit required to build a global business based on technology leadership in a particular field. It has taken 17 years since our first investment to see the real fruits of success begin to shine through. What began as technology leadership in making AIS products at low cost, taking significant market share amongst small and medium sized boats, expanded via the acquisition of a real-time visualisation software company for shipping and development of command and control software, to become one of the leading systems providers for complete shore-based infrastructure, combining all the latest electronic means to provide MDA for coastguards and national security purposes. Some of the large contracts in the pipeline have been years in the making, and recent contract wins have seen the order book expand rapidly to £320m, from a validated sales pipeline of over £1bn. A trade investor has been able to acquire a significant stake in SRT at a low price, due to the inability of AIM investors to meet its ongoing financing requirements, especially those required for posting performance bonds at the start of large contracts.

Nonetheless, we think SRT is now in the best position it's ever been in to deliver some strong returns for investors, as it finally becomes sustainably cash generative as one of the fastest growing companies in the UK. The shares rose by 62% in the period.

Amongst other long-held positions, and as at the period end the third largest qualifying investment in the portfolio, **GB Group**, a global provider of identity and location verification software, reported stronger trading over the period, with new product development opening the way to a coherent strategy for growth over the medium term, allowing the company to make the most of its advantages of scale. It rose 24% during the period.

Three newer holdings are worth mentioning both for their positive contributions during the period and their potential. **Diaceutics**, a diagnostic data and technology business supporting pharma companies launching new precision medicines which require diagnostics to select relevant patients, reported revenue growth of 36% to £32m and Annual Recurring Revenue (ARR) growth of 23% to £17m in 2024, setting the company up to become profitable during 2025. This has attracted a good deal of new investor interest, seeing the shares rise by 31% in the period. **Cordel**, an earlier stage company which provides sensors and software to the rail industry, allowing maintenance inspections to be done in real time from high-speed trains, continues to expand its customer range and geographic reach. Having raised a further £1m during the period, it was able to launch a significant development programme to add further intelligence to its software. The shares rose by 73% over the period. **Windar Photonics**, which has developed a Light Detection and Ranging (LiDAR) assisted monitoring and optimisation solution for wind turbines giving a 1-4% improvement in energy output as a retrofit solution, is seeing a significant scaling up of orders. However, at the same time it also saw a couple of large contracts delayed. It raised a further £5.9m in order to better resource the business for significant growth and to fund working capital expansion. Since initial investment in April the shares have risen by 54%.

On the negative side, it was still the case during the period, that the market responded very harshly to negative developments or any requirement for further funding. **Aurigo** needed to raise a further £5m in December, and given the weak state of the market, this caused the shares to fall 51% over the period. Aurigo is an automotive electronics business, which is developing a range of autonomous vehicles for airports, supported by its "Auto-SIM" airport logistics management software and "Auto-Connect" fleet management and data visualisation software. Changi Airport in Singapore is its lead adopter, but the company also has a scale-up agreement at a European Hub, and a trial agreed at Heathrow. Most of the money raised will go into the manufacture of an additional 10 "Auto-DollyTug" vehicles, with the aim of having 12 in operation by the end of 2025. Beyond this, the company is in early-stage discussions with 34 airports and 18 airlines, with 8

customers now having agreed to use Auto-SIM to map out potential efficiency gains. It looks set to become the global leader in this emerging niche, if it can negotiate the next couple of years of commercialisation effectively.

**Fadel Partners**, a software company focused on brand compliance, rights management and royalty billing software, experienced some contract slippage during the year, seeing its reported annual revenue fall from \$14.5m to \$13.0m, despite the underlying ARR rising from \$9.0m to \$9.9m. This prompted a round of cost-cutting in the business to manage the budget for future development from current cash resources. The company also announced that it has appointed a US investment bank to explore strategic options for the business following a 57% share price fall. Paul Jourdan is a Board Observer for Fadel. **Solid State**, an electronics business which specialises in ruggedised computing, battery power solutions, antennas, and secure radio systems, fell after announcing that a contract it had won to supply secure radio systems to the British Army via NATO, had been delayed pending the Government's review of defence spending. This led to the shares falling by 49% during the period, although the company believes that this contract will be re-instated later in 2025.

**Sosandar**, founded by Ali Hall and Julie Lavington in 2015 has established itself as a fast-growing UK womenswear fashion brand. Having turned profitable as an online retailer in the year to March 2023 with £43m of sales, the founders took the decision to move towards a multi-channel strategy, planning to open the company's own stores. The preparation for this move meant a period of reduced price incentives in the online business, which meant lower sales, but higher margins. This was taken as a disappointment by some investors, as the company swung back into making modest losses, causing the shares to fall by 55% over the year. Sosandar has now opened stores in Chelmsford, Marlowe, Newcastle and Cardiff, and will shortly be opening in Harrogate and Bath. If they can find the sites they could open around 10 per year. Having stores allows them to build a stronger relationship with customers, reduces the need for price promotions and allows for easy returns. The strategic target is to reach £100m sales with £10m in pre-tax profits. **Nexteq**, owner of Quixant, a leading provider of computing hardware to the gaming industry, and Densitron, a specialist provider of touch-screen displays and controls, saw a 41% sell-off over the period, after a profit warning in the first half and change of management team was followed by another negative trading update talking about de-stocking and project delays in the second half. However, with new management now in place and an anticipated \$30m of cash on the balance sheet (57% of the market cap) at the end of 2024, the company has plans to increase investment in product development in 2025, which should rejuvenate sales and profits growth from 2026.

**Arecor**, a biopharmaceutical company, whose lead product is an ultra-rapid acting insulin based on proprietary drug delivery technology, where progress has been slower than hoped, fell on concerns over future financing. This was a holding we reduced during the year. **Verici DX** had delays on the commercialisation of its two kidney transplant diagnostic tests, one because Thermo Fisher, the licensee, has taken longer than expected to develop their version of the test, and the other due to a delay in obtaining a Local Coverage Determination after more information was requested by the regulator causing the shares to fall sharply. We sold around a fifth of our holding on a bounce in January. **Polarean Imaging** fell heavily at the start of the period as it raised \$12.6m at a heavily discounted price. Having halved our holding, we participated in the placing in a small way. As noted in the Interim Report, **Saietta**, an automotive supplier bringing a highly efficient electric motor to market, went into administration early in 2024 after it failed to raise sufficient funds having overstretched itself with ambitious global operations and projects.

### Portfolio Activity

A total of £10.0m was invested in qualifying holdings during the period. Of this, £6.6m was invested in seven new holdings, and the balance was invested in six follow-on investments to existing holdings. Apart from one new unquoted investment, all of these qualifying investments were made in existing AIM quoted companies. Given how distressed valuations are at the junior end of AIM, where the VCT qualifying deals are done, we were keen to explore all these secondary offerings as actively as we could. In a number of these investments, like the placings in **PCI-Pal**, **Xeros**, **LifeSafe**, **Feedback** and **Rosslyn Data Technologies**, we played an important role in helping to bring the placings about. Moreover, now more than ever, the small group of AIM VCTs in general are completely essential for companies such as these to meet their funding requirements on AIM. The investments below were mostly small in monetary terms, but because valuations were so low, it meant that these investments often result in substantial equity stakes being taken, creating the possibility of significant returns where these companies achieve their business plans. Where companies were still at an early stage, we adopted a strategy of seeking some kind of board representation, in order to help them navigate what can be difficult waters for companies at this stage in public markets.

The new investments were as follows:

**PCI-Pal** (£0.65m investment), a leading provider of secure Payment Card Industry (PCI) compliant solutions for payments to be taken across a range of media in contact centres. PCI led the way in the industry in the switch to a pure SaaS (software as a service) business model, selling principally via channel partners. PCI-Pal was the subject of some vexatious litigation, which cost them over £3m to fight over a number of years, but

## Fund Manager's Review (continued)

which they won comprehensively in the end. The fund raise helped to restore scope in the balance sheet to accelerate growth plans and also acted as a deterrent against further litigation being brought. In the six months to end December 2024 the company delivered a record level of new business wins and looks well placed for growth in the coming years.

**Windar Photonics** (£1.5m investment across two fund raises), a provider of innovative LiDAR optimisation systems for use on wind turbines. The company's LiDAR sensors remotely measure wind speed and direction in lightweight modules which are easy to install. These are used in conjunction with Windar's optimisation software to adjust the angle at which the wind turbine faces into the wind, creating proven gains of 1-4% in annual energy production, as well as enhancing asset life. This places them ahead of competitor products which the company claims are not only harder and more expensive to install but also less well evidenced. With the growing importance of wind power in achieving net zero ambitions, and the leading nature of its product suite, the company has experienced significant growth in its order book and sales. It raised funds twice during the period in order to scale up the business to handle this growth.

**Cambridge Cognition** (£0.4m investment), which develops and deploys digital solutions to assess brain health in clinical trials conducted by biotechnology and pharmaceutical clients. It has a suite of five clinical assessment products, some internally developed, others acquired. Since 2020 management has doubled sales and shown that the business is capable of profitable growth. Cambridge Cognition is targeting a new phase of growth that will add to its commercial scale as it hires highly experienced operational and commercial managers to help capitalise on its relationships with large pharmaceutical companies and its industry leading technologies.

**LifeSafe Holdings** (£0.8m investment), a fire safety technology business with innovative fire extinguishing and prevention fluids. Since listing in 2022 the company has spent time building a consumer brand with the StaySafe All-in-1 fire extinguisher, a highly effective extinguisher which puts out all types of fire, including lithium battery fires. We helped finance the company to develop its wholesale business, with major industrial partners in the UK, Europe and the US becoming its channel to market. Gregor Paterson has become a shareholder Director of LifeSafe.

**Xeros Technology** (£1.0m investment), whose innovative technologies reduce the environmental impact of washing textiles and at the same time, by causing less wear and tear through washing, prolong the lifespan of clothes. Xeros' key innovation involves the addition of its nylon beads to a washing cycle. This reduces water and therefore power consumption by around 50%, with the added benefit of making clothes look newer for longer. Xeros has made many missteps since floating in 2014, however, a new management team overhauled the business model comprehensively two years ago. More

recently, large washing machine Original Equipment Manufacturers ("OEMs"), in both commercial and retail channels, have started to partner with the company, and we anticipate that these will start to show commercial traction over the coming year. Paul Jourdan has become a Board Observer for Xeros.

**Feedback** (£1.0m investment), a provider of a communication and collaboration software platform to the NHS called Bleepa, which connects care settings with diagnostic and other relevant data to drive better, faster, and safer clinical decisions. Bleepa provides one of very few routes to allow GP patient records to be brought together with hospital patient records in a seamless fashion, allowing each medical practitioner involved with a patient to collaborate. From its current user base, Bleepa has demonstrated that 90% of referrals of patients from GPs to specialists do not require an outpatient appointment, but rather in most cases the specialist only needs to see all of the clinical information already gathered to give an opinion in 5-6 minutes, whereas a typical outpatient appointment takes 30 minutes, much of which is taken up gathering information already in the clinical records. As collaboration between doctors is so poorly provided for currently, it is estimated that over 90% of doctors use WhatsApp as a messaging platform to do so, in contravention of data protection regulations. We are acutely aware that the NHS is a poor buyer of technology, even when the benefits that a new product promises to bring to them are huge. However, we saw in Bleepa the potential to provide such a key piece of technology to assist with the Government's stated ambition to bring down patient waiting lists through efficiency gains, that we chose to support the company with the next phase of its development, during which we expect to see some significant adoption of Bleepa. Because of the depressed state of AIM, we were able to buy an 11.9% stake in the business fully funded for scale up, for our £1m investment. Gareth Blades has become a Board Observer for Feedback.

**Zelim** (£1.2m investment), a provider of novel marine safety systems. Zelim is an Edinburgh based private company with an ambition to float on AIM, which we have followed for two years prior to this investment. The founder's ambition was initially to create an autonomous rescue vessel, having been a professional sailor who wanted to reduce the length of time rescue boats take to reach persons lost at sea. To create these vessels required a number of inventions. The first was a conveyor device to move people out of the water into a boat safely without human intervention, even if they are unconscious. The second was software designed to detect people floating in water. It was this software, called ZOE, which attracted us to the business. This has turned into a leading automated Person Overboard (POB) detection system designed for large vessels, using cameras and image recognition software based on extensive machine learning from trials and now commercial usage. In addition to sounding an alarm if



someone falls into the sea, ZOE can track their location in the water over many miles. The first customer was Valaris, a multi-national provider of drill ships. Zelim hopes that ZOE will become the first system to meet the new ISO 21195 standard for automated POB recognition. This is a pre-requisite for adoption by the global cruise ship owners. ZOE is also in the early stages of testing by the US Navy, having won a competition under the Small Business Innovation Research (SBIR) programme, to provide an automated POB system which doesn't require the wearing of a device. Alison Clark, Chief Financial Officer of Amati Global Investors, has become an investor Director of Zelim.

The most significant follow-on investment was in **Rosslyn Data Technologies** (Rosslyn) (£0.8m) via a convertible loan. Rosslyn provides spend analytics software to large corporates. It had a major management change in 2020, but the new team struggled to hold the customer base together during the required re-writing of the software. We declined to fund Rosslyn in 2023 when it last raised money to bridge the gap to profitability, believing it would take longer and cost more than hoped. However, in 2024 the company announced that it had won a £2m contract from one of the world's largest technology companies. This was on the back of building a set of clever automated invoice classification technologies, using both machine learning and large language models, and optimised to minimise cost. Gregor Paterson is a board observer for Rosslyn.

Other follow-on investments included small investments in: **Polarean Imaging** (£0.4m), the novel lung imaging technology provider; **Cordel** (0.1m), which provides monitoring systems for trains which allow automated inspections for maintenance to be carried out using cloud based software, without the need to run slow maintenance trains for visual inspections, as described above; **Ixico** (£0.4m) the provider of medical image analysis for clinical trials of drugs for central nervous system conditions; **2 Degrees** (£0.7m in two tranches), an unquoted company in which we co-invested with Maven Capital Partners, which provides software for large corporates to enable their suppliers to manage and reduce carbon emissions; and **Fusion Antibodies** (£0.1m), a provider of end-to-end services for the development of clinical antibodies.

Excluding the sale of Keywords which generated cash of £9.8m, reported on above, we made sales of qualifying holdings totalling £5.9m during the period. £4.0m of this cash was from taking profits in **AB Dynamics**, a designer, manufacturer and supplier of advanced testing, simulation and measurement products to global automotive OEMs, reflecting some nervousness on our part about how much disruption there has been in the global car industry. Notwithstanding this backdrop, AB Dynamics has continued to see strong order intake, particularly from China and North America. Elsewhere we sold out of **Clean Power Hydrogen**, which had failed to deliver on any of its business objectives set out at IPO, and made some small reductions elsewhere in the

portfolio. Cash generated from disposals of qualifying holdings during the year, including Keywords, amounted to £15.7m.

### Cash Management

We continued to invest cash in three different money market funds and in overnight and 7-day interest bearing bank deposits, generating an income of £1.7m during the period, having achieved annualised interest rates of around 5.12%. The cash and money market funds total at the end of January 2025 was £22.1m.

### Outlook

The UK market is in a depressed state, after nearly four years of outflows from UK equity funds. We see this as primarily a cyclical phenomenon. However, most commentators agree that the UK stock market needs urgent attention from policy makers if it is to be rejuvenated. This is not going to be easy to do with the machinations of Trump dominating the political space to such a degree. The best way to understand why public stock markets matter is to imagine a world without them. If there were no stock markets at all, then the only people who would be able to invest in the success of businesses would be those with the contacts and expertise to invest in private companies. Even within this restricted group, small private investors would get a much worse deal than institutions. Investor protections would be entirely dependent on negotiations, and small investors would fare badly. Most people would only be able to invest in bonds and cash deposits, causing the wealth gap to widen rapidly. Stock markets allow the successes of public businesses to be spread amongst the general public of savers, while also allowing large scale participation in the capital allocation process.

Now imagine a world where public markets are merely diminished, rather than non-existent. There is a tipping point where wealth creation begins to sit mainly outside of public markets, where the same effects begin to happen. The amazing success of the top US monopolistic corporations has provided a safety valve for global investors in public markets to participate in high growth enterprises, sucking in capital from all over the world. But the extraordinary concentration of wealth in the US amongst the business elite, and in the hands of sovereign wealth funds, successful pension funds and other institutions, has meant that capital is increasingly being directed away from public markets worldwide, as these types of investor have no real need for them. They gain more by controlling businesses directly and structuring them to minimise any corporation tax being paid. They do not need the daily liquidity. They do not desire public accountability. In certain cases, they want to own businesses for non-financial reasons, because of the political influence this can bring. In this world, falling liquidity favours the most liquid and successful markets internationally, principally the US, which enters a phase



## Fund Manager's Review (continued)

of draining domestic capital away from other markets, aided by low-cost online broking platforms and low-cost index tracking funds, making it easy for capital to flow across borders. Stock markets seeing reducing liquidity then shrink as companies are either taken private, acquired by larger rivals, or deploy their own capital to buy back shares. These are now the key features of the current UK stock market, both AIM and Full List, and we expect all three to continue apace during 2025, helping investors realise decent returns from depressed market prices.

Policy makers in the UK have not had to give much thought to these issues over the past 40 years, although there have been some important reforms brought in to de-regulate aspects of the main market rules. To get serious about addressing the underlying issues, policy will need to go further towards removing burdensome and unproductive regulations which impact public companies, and also to find ways of creating incentives for UK savers to invest in UK stock markets. We fully expect these changes to happen, but it is impossible to say when, as there is little comprehension in official circles of the urgency yet.

Setting aside broader policy matters, there are actions that AIM could take to improve its fortunes and reduce the barriers to listing. It could make fund raising less damaging for companies in difficult circumstances allowing share dealing to be suspended during the process. It could establish safe mechanisms for shareholder collaboration in relation to concert party formation and competition law. It could give companies more discretion about how to handle negative news in ways that do not damage their commercial interests.

From a VCT point of view, we believe that a new market practice for floating of early-stage businesses needs to evolve, where shareholders investing in IPOs are given the equivalent protections of either a participating or non-participating liquidation preference. This is something we have explored with both brokers and officials at AIM and Aquis. We have not yet found the right company to bring this into being. This would improve the returns profile of AIM IPOs fundamentally, and over time should create a much healthier level of interest in funding AIM IPOs.

We are excited about the prospects for the companies in the portfolio, in general seeing good prospects for continued growth amongst the mature businesses and the potential for many of the earlier stage investments to make substantial progress. We are aware that we need to see more and bigger "winners" from investments made under the post-2017 VCT rules and are optimistic that some will emerge during the coming year.

A final word on US President Trump's tariffs.

Given this report was largely written in February, it is hard to end it without making some reference to the extraordinary events in early April of Trump's announcements of sweeping and massive tariffs on almost every country in the world. These so-called "reciprocal" tariffs, based on the absurd idea that trade deficits are a tax on the US, have intervened in the global economy and caused a level of disarray in stock markets not seen since the pandemic. With such wild and fake cards being played, it is not possible to predict how this unfolds. But it does severely cloud the outlook for the global economy and in turn, it will make life more difficult for some companies in the portfolio. More importantly, perhaps, it also marks a point at which America apparently gave up on the idea of being the ultimate defender of liberal democracy, free trade and the rule of law. In this equation Trump has forsaken the trust which America's trading partners have placed in it over decades and is instead espousing a set of relationships based on fear and servitude. This is a perilous journey. However, given how much capital has flowed into the US economy from the UK and other large economies from around the world over the last few years, there is now the first glimmer of the prospect that these capital flows may begin to reverse, and if the UK can position itself as a natural home for these reverse flows, there is a prospect for some real benefits to emerge from the crisis.

We were given notice of termination of our investment management contract on 2 December 2024 by the Board and more recently have been asked to accept early termination to allow the Board to move the management of the VCT to Maven Capital Partners. We have agreed to this request. Having managed the VCT for such a long time, we hand it on with sadness. We would like to thank all the shareholders who have supported us over the years, it has been a huge privilege to act on your behalf and to have got to know many of you. We wish the Board and the new manager well in the future.

**Dr Paul Jourdan, David Stevenson, Gregor Paterson and Gareth Blades**

Amati Global Investors

15 April 2025

## Fund Manager Biographies

### Amati Global Investors

Amati Global Investors is a specialist fund management business based in Edinburgh. It is largely, though not exclusively, focused on UK small and mid-sized companies, with a universe ranging from fully listed constituents of the FTSE Mid 250 and FTSE Small Cap indices, to stocks quoted on the Alternative Investment Market. It is the Manager of Amati AIM VCT (for which it won the 2022 Investment Week VCT AIM Investment Company of the year award). It is also the Manager of the WS Amati UK Listed Smaller Companies Fund, the WS Amati Strategic Metals Fund, the WS Amati Global Innovation Fund and it also offers an AIM IHT portfolio service. It is incorporated in Scotland and 51% owned by its staff, and 49% owned by Mattioli Woods plc, which invested in the company in February 2017. Amati Global Investors is a signatory to the UK Stewardship Code which aims to enhance the quality of engagement between investors and companies to help improve long-term risk adjusted returns to shareholders. Amati is also a signatory to the UN-supported Principles for Responsible Investment (PRI).



## Fund Manager Biographies (continued)

Paul Jourdan  
Founder and CEO



Dr Paul Jourdan is an award winning fund manager, with a strong track record in small cap investment. He co-founded Amati Global Investors following the management buyout of Noble Fund Managers from Noble Group in 2010, having joined Noble in 2007 as Head of Equities. His fund management career began in 1998 with Stewart Ivory where he gained experience in UK, emerging market and global equities. In 2000, Stewart Ivory was taken over by First State and Paul became manager of what is now the WS Amati UK Listed Smaller Companies Fund. In early 2005, he launched Amati VCT and then also became manager of Amati VCT 2 plc after the investment management contract moved to Amati Global Investors in 2010. In September 2014 Amati launched the Amati AIM IHT Portfolio Service, which Paul co-manages with David Stevenson and Scott McKenzie. Prior to 1998 Paul worked as a professional violinist, including a four year period with the City of Birmingham Symphony Orchestra. He is a CFA Charterholder, CEO, a director of Amati and a trustee of Clean Trade, a charity registered in England and Wales.

David Stevenson  
Fund Manager



David Stevenson joined Amati in 2012. In 2005 he was a co-founding partner of investment boutique Cartesian Capital, which managed a range of retail and institutional UK equity funds in long only and long/short strategies. Prior to that he was Assistant Director at SVM, where he also managed equity products including the UK Opportunities small/midcap fund which was ranked top decile for the 5 year period from inception to 2005. David started his career at KPMG where he qualified as a Chartered Accountant. He latterly specialised in corporate finance, before moving into private equity with Dunedin Fund Managers.

David has co-managed both the WS Amati UK Listed Smaller Companies Fund and Amati AIM VCT since 2012 and the Amati AIM IHT Portfolio Service since 2014.

Gregor Paterson  
Fund Analyst



Gregor Paterson joined Amati in 2024. He began his investment career in 1999 with Greig Middleton & Co, as an investment manager, before joining Bell Lawrie as an equity analyst in 2002, covering an array of UK small and mid-cap stocks. He moved to Edinburgh and into corporate & institutional stockbroking in 2008, holding senior positions at Cenkos, Cantor Fitzgerald and Zeus Capital. Gregor has a MA in Economics from the University of Aberdeen, is a Chartered Fellow of the Institute for Securities and Investment and, more recently, undertook the CFA Institute's Environmental, Social and Governance (ESG) qualification.

Gareth Blades  
Fund Analyst



Dr Gareth Blades joined Amati in 2019 as an Analyst supporting the fund management team. Prior to Amati, Gareth worked as an independent consultant supporting early stage life science companies in their operational and strategic decision making. In 2016 he worked for the College of Medicine and Veterinary Medicine at the University of Edinburgh building and spinning-out therapeutic, med-tech, diagnostic and e-health companies. In 2015, Gareth worked in healthcare corporate finance at PharmaVentures in Oxford. During his time at PharmaVentures he delivered expert reports, business development, licensing and due diligence projects for international clients. Prior to this he worked for White Space Strategy in Oxford, a leading market analysis and strategy consultancy serving financial services, TMT, manufacturing, energy and public sector clients. Gareth has a DPhil in Systems Biology – Biochemistry from the University of Oxford, an MPhil in Micro and Nanotechnology Enterprise from the University of Cambridge and a first in Neuroscience from Cardiff University.

## Investment Portfolio

as at 31 January 2025

Company name	Original Amati VCT bookcost at 4 May 2018 <sup>1</sup> £'000	Costs* £'000	Aggregate Cost** £'000	Fair value £'000	Fair value movement in year*** £'000	Market Cap £m	Industry Sector	Yield <sup>NTM</sup> %	% of net assets
Waystone Amati UK Listed Smaller Companies Fund	3,331	6,977	10,308	11,356	(410)	–	Financials	2.64	10.2
Learning Technologies Group plc <sup>1</sup>	780	3,771	4,551	6,307	711	724.3	Industrials	1.82	5.7
Craneware plc <sup>2</sup>	298	3,601	3,899	4,146	(473)	683.3	Health Care	1.50	3.7
GB Group plc <sup>2,3</sup>	236	2,967	3,203	3,931	755	881.1	Information Technology	1.20	3.5
Property Franchise Group plc <sup>1,3</sup>	559	576	1,135	3,841	783	261.4	Real Estate	3.40	3.4
MaxCyte Inc. <sup>1</sup>	449	1,536	1,985	3,650	(261)	384.8	Health Care	–	3.3
Water Intelligence plc <sup>2</sup>	180	1,038	1,218	3,218	204	68.6	Industrials	–	2.9
Chorus Intelligence Limited Ordinary Shares <sup>1,4</sup>	–	301	301	151	–	–	Information Technology	–	0.1
Chorus Intelligence Limited 10% Convertible Loan Notes <sup>1,4</sup>	–	2,699	2,699	2,699	–	–	Information Technology	–	2.4
Intelligent Ultrasound plc <sup>1</sup>	–	2,195	2,195	2,808	1,156	42.2	Health Care	–	2.5
Diaceutics plc <sup>1</sup>	–	1,557	1,557	2,766	656	114.5	Health Care	–	2.5
<b>Top Ten</b>			<b>33,051</b>	<b>44,873</b>	<b>3,121</b>				<b>40.2</b>
2 Degrees Limited Ordinary shares <sup>1</sup>	–	2,522	2,522	2,522	–	–	Information Technology	–	2.3
2 Degrees Limited 12% Unsecured Loan notes <sup>1,4</sup>	–	180	180	180	–	–	Information Technology	–	0.2
SRT Marine Systems plc <sup>1</sup>	709	465	1,174	2,310	886	149.9	Information Technology	–	2.1
Windar Photonics plc <sup>1</sup>	–	1,530	1,530	2,210	680	51.9	Information Technology	–	2.0
Equals Group plc <sup>1</sup>	–	1,137	1,137	2,038	283	260.8	Financials	1.46	1.8
EnSilica plc <sup>1</sup>	–	2,450	2,450	2,009	–	39.6	Information Technology	–	1.8
Aurrigo International plc <sup>1</sup>	–	2,280	2,280	1,944	(2,032)	25.5	Consumer Discretionary	–	1.7
AB Dynamics plc <sup>1</sup>	151	480	631	1,880	(44)	392.5	Consumer Discretionary	0.45	1.7
Velocity Composites plc <sup>1</sup>	496	2,106	2,602	1,695	(226)	16.2	Industrials	–	1.5
Northcoders Group plc <sup>1</sup>	–	2,111	2,111	1,686	88	12.3	Consumer Discretionary	–	1.5
Tan Delta Systems plc <sup>1</sup>	–	1,875	1,875	1,370	72	13.9	Energy	–	1.2
<b>Top Twenty</b>			<b>51,543</b>	<b>64,717</b>	<b>2,828</b>				<b>58.0</b>
Solid State plc <sup>2,3</sup>	259	261	520	1,344	(1,282)	73.7	Information Technology	3.30	1.2
Kinovo plc <sup>2</sup>	–	1,681	1,681	1,336	(65)	39.3	Industrials	–	1.2
Brooks Macdonald Group plc <sup>2,3</sup>	–	1,154	1,154	1,334	(324)	244.4	Financials	5.27	1.2
Fadel Partners, Inc <sup>1</sup>	–	3,000	3,000	1,250	(1,688)	12.1	Information Technology	–	1.1
Nexteq plc <sup>2</sup>	419	3,777	4,196	1,202	(837)	41.7	Consumer Discretionary	4.78	1.1



Company name	Original Amati VCT bookcost at 4 May 2018 <sup>2</sup> £'000	Costs* £'000	Aggregate Cost** £'000	Fair value £'000	Fair value movement in year*** £'000	Market Cap £m	Industry Sector	Yield <sup>NTM</sup> %	% of net assets
Zelim Limited <sup>1</sup>	–	1,200	1,200	1,200	–	–	Information Technology	–	1.1
Cordel Group plc <sup>1</sup>	–	992	992	1,191	474	15.7	Information Technology	–	1.1
Itaconix plc <sup>1</sup>	–	2,000	2,000	1,137	196	19.6	Materials	–	1.0
Accesso Technology Group plc <sup>1,3</sup>	–	221	221	1,095	(119)	203.0	Information Technology	–	1.0
Ixico plc <sup>1</sup>	–	1,670	1,670	990	149	10.7	Health Care	–	0.9
Feedback plc <sup>1</sup>	–	1,000	1,000	935	(65)	8.2	Health Care	–	0.8
Rosslyn Data Technologies plc Ordinary shares <sup>1</sup>	614	1,308	1,922	35	(85)	3.7	Information Technology	–	–
Rosslyn Data Technologies plc 10% Loan Notes <sup>1,4</sup>	–	800	800	808	8	–	Information Technology	–	0.8
PCI-Pal plc <sup>1</sup>	–	650	650	824	174	51.4	Financials	–	0.7
Sosandar plc <sup>1</sup>	–	1,872	1,872	811	(998)	16.1	Consumer Discretionary	–	0.7
Frontier Developments plc <sup>1</sup>	197	2,509	2,706	795	277	87.4	Communi- cation Services	–	0.7
Science in Sport plc <sup>1</sup>	804	1,136	1,940	773	342	60.4	Consumer Staples	–	0.7
One Media iP Group plc <sup>1</sup>	–	1,240	1,240	709	–	8.9	Communi- cation Services	1.38	0.6
Strip Tinning Holdings plc Ordinary shares <sup>1</sup>	–	1,054	1,054	171	(57)	5.5	Consumer Discretionary	–	0.2
Strip Tinning Holdings plc 10% Unsecured Convertible Loan Notes <sup>1</sup>	–	500	500	485	(15)	–	Consumer Discretionary	–	0.4
Netcall plc <sup>2,3</sup>	–	110	110	655	80	176.7	Information Technology	0.83	0.6
Eden Research plc <sup>1</sup>	–	1,057	1,057	653	(268)	20.8	Materials	–	0.6
LifeSafe Holdings plc <sup>1</sup>	–	800	800	560	(240)	3.4	Industrials	–	0.5
Cambridge Cognition Holdings plc <sup>1</sup>	–	420	420	473	53	18.9	Health Care	–	0.4
Synectics plc <sup>2</sup>	–	342	342	465	253	60.5	Information Technology	0.88	0.4
Verici DX plc <sup>1</sup>	–	1,449	1,449	426	(907)	8.5	Health Care	–	0.4
Polarean Imaging plc <sup>1</sup>	–	1,055	1,055	426	(630)	14.5	Health Care	–	0.4
Arecor Therapeutics plc <sup>1</sup>	–	1,650	1,650	416	(787)	21.5	Health Care	–	0.4
Fusion Antibodies plc <sup>1</sup>	565	1,884	2,449	363	158	7.4	Health Care	–	0.3
Byotrol plc Ordinary shares <sup>1,4</sup>	511	348	859	27	(110)	0.5	Materials	–	–
Byotrol plc 9% Convertible loan notes <sup>1,4</sup>	–	350	350	335	(15)	–	Materials	–	0.3
Xeros Technology Group plc <sup>1</sup>	–	1,000	1,000	333	(667)	2.6	Industrials	–	0.3
Block Energy plc <sup>1</sup>	–	3,000	3,000	332	(179)	4.8	Energy	–	0.3
Eneraqua Technologies plc <sup>1</sup>	–	1,955	1,955	275	(7)	13.0	Industrials	3.08	0.3

## Investment Portfolio (continued)

Company name	Original Amati VCT bookcost at 4 May 2018 <sup>#</sup> £'000	Costs* £'000	Aggregate Cost** £'000	Fair value £'000	Fair value movement in year*** £'000	Market Cap £m	Industry Sector	Yield <sup>NTM</sup> %	% of net assets
Hardide plc <sup>1</sup>	695	1,666	2,361	249	(181)	4.3	Materials	–	0.2
Creo Medical Group plc <sup>1,3</sup>	–	1,612	1,612	232	(303)	74.2	Health Care	–	0.2
MyCelx Technologies Corporation <sup>1</sup>	440	205	645	125	(81)	7.6	Industrials	–	0.1
Rua Life Sciences plc <sup>1</sup>	–	931	931	93	5	7.5	Health Care	–	0.1
Getech Group plc <sup>1</sup>	–	1,040	1,040	85	(269)	2.7	Information Technology	–	0.1
Brighton Pier Group plc (The) <sup>1</sup>	314	175	489	83	(125)	8.2	Consumer Discretionary	–	0.1
Trellus Health plc <sup>1</sup>	–	700	700	44	(35)	4.0	Health Care	–	0.1
Zenova Group plc <sup>1</sup>	–	900	900	38	(169)	0.7	Materials	–	–
Aptamer Group plc <sup>1</sup>	–	3,671	3,671	13	(19)	8.2	Health Care	–	–
Merit Group plc <sup>1</sup>	–	596	596	13	(35)	4.3	Communi- cation Services	–	–
Investments held at nil value†			–	–	–	–		–	–
<b>Total non-money market investments</b>			<b>111,302</b>	<b>89,856</b>	<b>(5,565)</b>				<b>80.6</b>
<b>Money market funds</b>									
Goldman Sachs Sterling Liquid Reserves Fund			4,398	4,398	–				3.9
Northern Trust Global The Sterling Fund			4,398	4,398	–				3.9
Royal London Short Term Money Market Fund			4,414	4,380	(55)				4.0
<b>Total money market funds</b>			<b>13,210</b>	<b>13,176</b>	<b>(55)</b>				<b>11.8</b>
<b>Total Investments</b>			<b>124,512</b>	<b>103,032</b>	<b>(5,620)</b>				<b>92.4</b>
<b>Other net current assets</b>				<b>8,506</b>					<b>7.6</b>
<b>Net assets</b>				<b>111,538</b>					<b>100.0</b>

1 Qualifying holdings.

2 Part qualifying holdings.

3 These investments are also held by other funds managed by Amati.

4 Chorus Intelligence Limited ("Chorus") consists of 232 Ordinary Shares in Chorus at fair value of £151,000 and 10% Convertible Loan Notes at £2,699,000. Interest is being received half yearly on the Chorus CLNs.

Byotrol plc ("Byotrol") consists of 25,000,001 Ordinary Shares in Byotrol at fair value of £28,000 and 9% Convertible Loan Notes at fair value of £335,000. Interest is being received quarterly on the Byotrol CLNs.

Strip Tinning consists of 569,699 ordinary shares at fair value of £171,000 and 10% Convertible Loan Notes at fair value of £485,000. Interest is payable upon redemption of the CLNs.

# This column shows the original book cost of the investments acquired from Amati VCT plc on 4 May 2018.

\* This column shows the bookcost to the Company as a result of market trades and events.

\*\* This column shows the aggregate book cost to the Company either as a result of trades and events or asset acquisition from Amati VCT plc on 4 May 2018.

\*\*\* This column shows the movement in fair value, the unrealised gains/(losses) on investments during the year, see notes 1 and 8 on pages 66 and 71 for further details.

† These investments are held at nil value and with nil book cost with the related losses realised.

NTM Next twelve months consensus estimate (Source: Refinitiv, Fidessa and Amati Global Investors)

The Manager rebates the management fee of 0.75% on the WS Amati UK Listed Smaller Companies Fund and this is included in the yield.

All holdings are in ordinary shares unless otherwise stated.

The book cost of the following investments has been written off, but holdings continue to be held for qualifying purposes: Flylogix Limited<sup>1</sup>; Saeitta Group<sup>1</sup>; Elexsys Energy plc<sup>1</sup>; Leisurejobs.com Limited<sup>1</sup> (previously The Sportweb.com Limited), Rated People Limited<sup>1</sup>; TCOM Limited<sup>1</sup>; VITEC Global Limited<sup>1</sup>.

As at the year end the percentage of the Company's portfolio held in qualifying holdings for the purposes of Section 274 of the Income and Corporation Taxes Act is 100%.

The AIC SORP provides guidance on additional reporting on unquoted investee companies within the top ten largest investments of the VCT. The following data is extracted from the last published set of audited accounts. It should be noted however that this may not be representative of underlying financial performance for several reasons. Published accounts at Companies House are by their nature historical and therefore out of date, and the Manager works from up-to-date monthly management accounts, management updates and board packs. In addition, pre-tax profit in statutory accounts is often not a representative indicator of underlying profitability as there may be various adjustments that impact that figure of a non-operational nature.

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Chorus Intelligence Limited

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Suffolk

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Unquoted

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[www.chorusintel.com](http://www.chorusintel.com)

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The Chorus Intelligence Suite ("CIS") is a one platform, one dashboard solution for managing every stage of a digital investigation. The CIS delivers powerful data search, analysis, enrichment and evidential reporting tools to law enforcement, financial and corporate institutions across the globe.

<b>Amati AIM VCT's first investment:</b>	<b>March 2022</b>
Total original cost of equity:	<b>£301,104</b>
Total equity held:	<b>0.6%</b>
Equity valuation:	<b>£150,552</b>
Valuation basis:	<b>Value provided against, supported by DCF</b>
Voting rights:	<b>0.6%</b>

Total original cost of CLNs:	<b>£2,698,897</b>
Total CLN's held:	<b>100%</b>
CLN valuation:	<b>£2,698,897</b>
Valuation basis:	<b>At cost, supported by DCF</b>
Income recognised in the year:	<b>£269,000</b>

<b>Year ended 31 March 2024</b>	<b>2024 £'000</b>	<b>2023 £'000</b>
Net assets:	<b>(4,808)</b>	(5,473)

A full set of accounts is not publicly available.

Source: Chorus Intelligence Ltd, audited financial statements, 31 March 2024

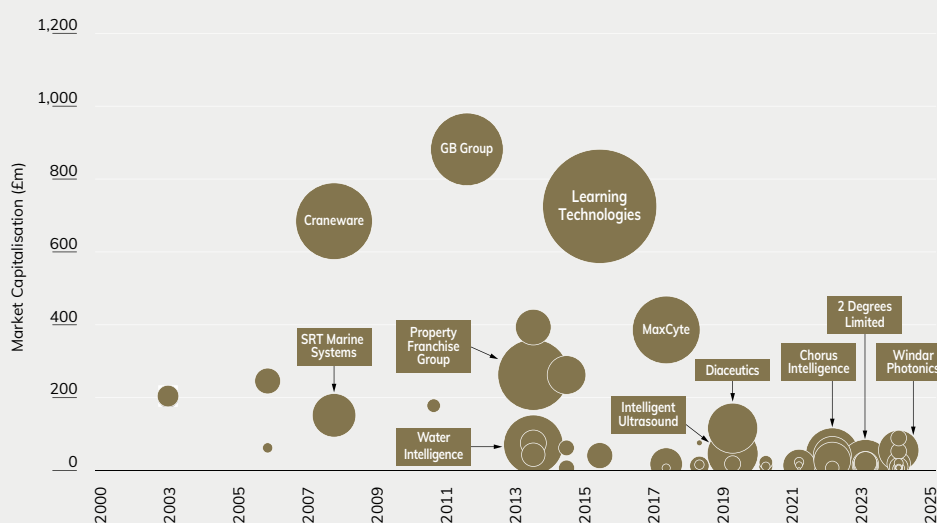
## Investment Portfolio (continued)

Analysis as at 31 January 2025

### Qualifying portfolio

The portfolio of qualifying investments in the Company as at 31 January 2025 is analysed in the graph below by date of initial investment and market capitalisation. The size of the circles represents the relative size of the holdings in the portfolio by value.

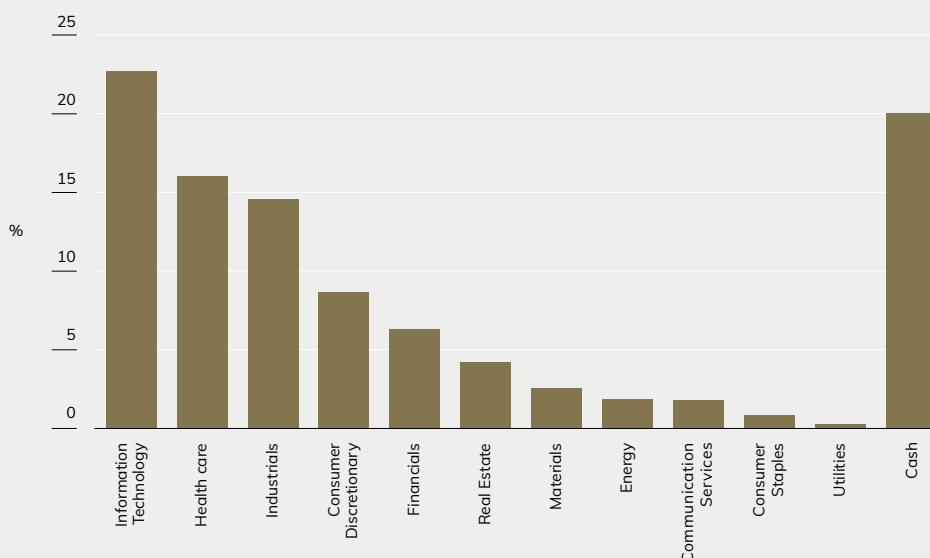
The top twelve qualifying portfolio companies are labelled. The dates of investments in securities held solely by Amati VCT plc prior to the merger with Amati VCT 2 plc in May 2018, are given as the dates those securities were originally acquired by Amati VCT plc.



### Sector split

The portfolio of investments in the Company as at 31 January 2025 is analysed in the graph below by sector. This includes a sector split of the investments

within the WS Amati UK Listed Smaller Companies Fund which in the Investment Portfolio table on pages 16 to 18 is classed as Financials.



## Investment Objectives, Investment Policy and Investment Strategy

Following the outcome of the Strategic Review, and as announced to shareholders on 2 December 2024, the Board intends to seek shareholder approval to amend the Company's investment objectives and policy in order to enable a greater degree of investment in unquoted UK companies with strong growth potential, alongside continued investment in companies quoted on AIM and AQSE (an "AIM Plus" strategy). Details of the proposed changes to the investment objectives and policy, which have been approved by the FCA, will be set out in the notice relating to the Company's Annual General Meeting and shareholders will be asked to approve the changes at the Company's Annual General Meeting.

Details of the Company's current investment objectives, investment policy and investment parameters, which applied throughout the financial year ending 31 January 2025, are set out below.

### Investment Objectives

The investment objectives of the Company are to generate tax free capital gains and regular dividend income for its shareholders while complying with the requirements of the rules and regulations applicable to Venture Capital Trusts ("VCTs").

### Investment Policy

The Company's investment policy is to hold a diversified portfolio across a broad range of sectors to mitigate risk. It makes Qualifying Investments (as defined in the Income Tax Act 2007 (as amended)) primarily in companies traded on AIM or on the Aquis stock exchange ("Aquis") and non-Qualifying Investments as allowed by the VCT legislation. The Company manages its portfolio to comply with the requirements of the rules and regulations applicable to VCTs.

### Investment Parameters

Whilst the investment policy is to make Qualifying Investments primarily in companies traded on AIM or on Aquis, the Company may also make Qualifying Investments in companies likely to seek a quotation on AIM or Aquis. With regard to the non-Qualifying portfolio the Company makes investments which are permitted under the VCT legislation, including shares or units in an Alternative Investment Fund (AIF) or an Undertaking for Collective Investment in Transferable Securities (UCITS) fund, and shares in other companies which are listed on a regulated market such as the Main Market of the London Stock Exchange. Any investments by the Company in shares or securities of another company must not represent more than 15% of the Company's net asset value at the time of purchase.

### Borrowing

The Company has the flexibility to borrow money up to an amount equal to its adjusted capital and reserves but the Board's policy is not to enter into borrowings.

### Investment Strategy for Achieving Objectives

The investment strategy for achieving the Company Objectives which follows is not part of the formal Investment Policy. Any material amendment to the formal Investment Policy may only be made with shareholder consent, but that consent applies only to the formal Investment Policy above and not to any part of the Strategy for Achieving Objectives or Key Performance Indicators below.

#### (a) Qualifying Investments Strategy

The Company is likely to be a long-term investor in most Qualifying Investments, with sales generally only being made where an investment case has deteriorated or been found to be flawed, or to realise profits, adjust portfolio weightings, fund new investments or pay dividends. Construction of the portfolio of Qualifying Investments is driven by the historic investments made by the Company and by the availability of suitable new investment opportunities. The Manager may co-invest in companies in which other funds managed by Amati Global Investors invest.

#### (b) Non-Qualifying Investments Strategy

The assets of the portfolio which are not in Qualifying Investments will be invested by the Manager on behalf of the Company in investments which are allowable under the rules applicable to VCTs. Currently, cash not needed in the short term is invested in a combination of the following (though ensuring that no more than 15% of the Company's funds are invested in any one entity at the time of purchase):

- (i) the WS Amati UK Listed Smaller Companies Fund (which is a UCITS fund), or other UCITS funds approved by the Board;
- (ii) direct equity investments in small and mid-sized companies and debt securities in each case listed on the Main Market of the London Stock Exchange; and
- (iii) cash or cash equivalents (including money market funds) which are redeemable within 7 days.



Investment Objectives, Investment Policy  
and Investment Strategy (continued)**Environmental, Social and Governance (“ESG”) Policies**

The Investment Manager recognises that managing investments on behalf of clients involves taking into account a wide set of responsibilities in addition to seeking to maximise financial returns for investors. Industry practice in this area has been evolving rapidly and Amati has been an active participant in seeking to define and strengthen its principles accordingly. This involves both integrating ESG considerations into the Investment Manager’s investment decision-making process as a matter of course, and also signing up to major external bodies who are leading influencers in the formation of industry best practice. The following is an outline of the kinds of ESG factors that the Investment Manager will consider and question as part of its investment process, reflecting the specific inputs and outputs of a business.

- **Environmental** – climate change; use of natural resources; pollution; waste and impact on bio-diversity; and taking into account any positive environmental impacts.
- **Social** – use of human capital; potential product or service liabilities; stakeholder opposition; and taking into account any positive social considerations.
- **Governance** – ownership and control; management structure and quality; pay and alignment; accounting issues; business ethics; and tax transparency.
- **Human rights** – weighing up the risks of activities in countries with Freedom House Scores below 33 and based on Clean Trade principles; not investing in companies extracting natural resources in countries which score below 15; risk of exposure to corruption and unreliable legal frameworks; risk of benefiting from slave labour; risk from adverse political developments impacting a business negatively.

The Board is conscious of the potential impact of its investments on the environment as well as its social and governance responsibilities. The Board and the Manager believe that sustainable investment involves the integration of ESG factors within the investment appraisal process and that these factors should be considered alongside strategic, commercial and financial issues. Further details can be found on page 31.

**Board Diversity of Investee Companies**

The Board, through the Manager, considers board diversity to be an important consideration in its investment decision on investee companies.

**Key Performance Indicators**

The Board expects the Manager to deliver a performance which meets the objectives of the Company. A review of the Company’s performance during the financial year, the position of the Company at the year end and the outlook for the coming year is contained in the Chairman’s Statement and Fund Manager’s Review. The Board monitors on a regular basis a number of key performance indicators which are typical for VCTs, the main ones being:

- Compliance with HMRC VCT regulations to maintain the Company’s VCT Status. See page 32;
- Net asset value and total return to shareholders (the aggregate of net asset value and cumulative dividends paid to shareholders, assuming dividends re-invested at ex-dividend date). See graphs on page 3;
- Comparison against the Deutsche Numis Alternative Markets Total Return Index. See graph on page 3;
- Dividend distributions. See table of investor returns on page 2;
- Share price. See key data on page 1; and
- Ongoing charges ratio. See key data on page 1.

## Fund Management and Key Contracts

### Fund Manager's Engagement

The Board regularly appraises the performance and effectiveness of the managerial, administration and secretarial arrangements of the Company. As part of this process, the Board considers the arrangements for the provision of investment management and other services to the Company on an ongoing basis and a formal review is conducted annually. As detailed below and in the Chairman's Statement, following completion of the Strategic Review, the Board has served notice to terminate the appointment of Amati Global Investors ("AGI") as the Company's investment manager, and to appoint Maven Capital Partners UK LLP ("Maven") as the new manager. Maven will also be appointed as administrator and company secretary.

While notice to terminate AGI's appointment was served on 2 December 2024, AGI remained appointed as the Company's investment manager throughout the financial year ending 31 January 2025. Details of the terms of AGI's appointment are therefore set out below. Details of the terms upon which Maven will be appointed as the Company's investment manager, administrator and company secretary were announced by the Company on 28 February 2025 and will be set out in the Company's annual report from the financial year ending 31 January 2026 onwards.

### AGI Management Agreement

AGI was first appointed as investment manager to the Company on 19 March 2010. Under an Investment Management and Administration Agreement dated 19 March 2010, and subsequently revised and updated in two separate agreements, an Investment Management Deed ("IMA") and a Fund Administration, Secretarial Services and Fund Accounting Agreement ("FASSFAA"), on 30 September 2019, AGI agreed to manage the investments and other assets of the Company on a discretionary basis subject to the overall policy of the Directors.

The Company pays to AGI under the terms of the IMA a fee of 1.75% of the net asset value of the Company quarterly in arrears. In November 2014, with shareholder consent, the Company amended its non-qualifying investment policy to permit investment in the WS Amati UK Listed Smaller Companies Fund, a small and mid-cap fund managed by AGI. The Company receives a full rebate on the fees payable by the Company to AGI within this fund either through a reduction of fees payable by the Company or a direct payment by AGI.

Annual running costs are capped at 3.5% of the Company's net assets, any excess being met by AGI by way of a reduction in future management fees. The annual running costs include the Directors' and AGI's fees, professional fees and the costs incurred by the Company in the ordinary course of its business (but excluding any commissions paid by the Company in relation to any offers for subscription, irrecoverable VAT and exceptional costs, including winding-up costs).

Where AGI negotiates and structures an investment directly with a company, most commonly as a convertible loan, AGI retains the right to charge the investee company a fee. Any legal expenses incurred by AGI will be paid out of this fee.

### AGI Administration Arrangements

Under the terms of the FAASSFAA, AGI also agreed to provide certain fund administration, company secretarial and accounting services to the Company. As disclosed previously, AGI and the Board agreed that a new Company Secretary would be sought and that the Board would contract directly with the new Company Secretary. The Board appointed LDC Nominee Secretary Limited as Company Secretary of the Company with effect from 1 February 2022. Under the FAASSFAA, AGI has the right to appoint suitable representatives to provide fund accounting and administration services to the Company. AGI engaged Waystone Administration Solutions (UK) Limited to act as fund accountant and administrator.

For the year ending 31 January 2025, the Company paid AGI a fee of £81,626 per annum (2024: £78,336) paid quarterly in arrears in respect of the provision of fund accounting and administration services. This fee was subject to an annual increase in line with the consumer prices index.

AGI's appointment as investment manager and/or fund accountant and administrator was terminable with twelve months' notice. As announced on 2 December 2024, the Board served notice to terminate the appointment of AGI. This termination will also result in a change of fund accountant, administrator and company secretary.

### VCT Status Adviser

Philip Hare & Associates LLP ("Philip Hare & Associates") is engaged to advise the Company on compliance with VCT requirements. Philip Hare & Associates review new investment opportunities, as appropriate, and review regularly the investment portfolio of the Company. Philip Hare & Associates work closely with the Manager but report directly to the Board.

## Principal and Emerging Risks

The Audit Committee regularly reviews the Company's risk register, which assesses each risk and classifies the likelihood of the risk and the potential impact of each risk on the Company. The Board considers that the Company faces the following major risks and uncertainties:

Potential Risk	Potential Impact	Mitigation
<b>Investment Risk</b>	A substantial portion of the Company's investments is in small AIM traded companies as well as some unquoted companies. By their nature these investments involve a higher degree of risk than investments in larger fully listed companies. These companies tend to have limited product lines and niche markets. They can be reliant on a few key individuals. They can be dependent on securing further financing. With the changes to VCT regulations introduced in the Finance Act 2018 focusing investment in knowledge based companies, newer investments may well be made at an earlier stage in the lifecycle and may result in a reduced exposure to asset based businesses leading to increased volatility in the value of an investee company's shares. Further, the majority of the new investments will be in companies which have invested in developing and commercialising intellectual property, which brings with it the risk that another company might develop superior technology, or that the commercialisation strategy may fail. In addition, the liquidity of these shares can be low and the share prices volatile.	<p>The Board places reliance upon the skills and expertise of the Manager, including its strong track record for investing in this segment of the market. Investments are actively and regularly monitored by the Manager and the Board receives detailed reports on the portfolio in addition to the Manager's report at regular Board meetings. The Manager also seeks to limit these risks through building a diversified portfolio with companies in different areas within sectors and markets at different stages of development.</p> <p>Investments in unquoted companies in particular are subject to strict controls and investment limits in recognition of the significant risks involved. In relation to investments of this nature there is an expectation that the investee company is likely to seek admission to AIM, in order to de-risk the investment, to the extent that this is possible, within an acceptable time frame. It may be that an investment is realised via a trade sale as this option is always a possibility. The Manager ensures Board representation or monitoring is a requirement of the investment agreement and, if a listing or trade sale does not occur, will continue to oversee board and operational management performance.</p>

Potential Risk	Potential Impact	Mitigation
<b>Venture Capital Trust Approval Risk</b>	<p>The current approval as a venture capital trust allows investors to take advantage of income tax reliefs on initial investment and ongoing tax-free capital gains and dividend income. Failure to meet the qualifying requirements could result in investors losing the income tax relief on initial investment and loss of tax relief on any tax-free income or capital gains received. In addition, failure to meet the qualifying requirements could result in a loss of listing of the shares.</p> <p>The VCT legislation contains a “sunset clause” which would have brought income tax relief to an end on 5 April 2025. The UK Government addressed this matter and passed the Finance Act 2024 which included the extension to the sunset clause to 5 April 2035. The EU were required to give approval and this has been given.</p>	<p>To reduce this risk, the Board has appointed the Manager which has significant experience in venture capital trust management and is used to operating within the requirements of the venture capital trust legislation. In addition, to provide further formal reassurance, the Board has appointed Philip Hare &amp; Associates as VCT Status Adviser to the Company. Philip Hare &amp; Associates reports every six months to the Board to confirm compliance with the venture capital legislation, to highlight areas of risk and to inform on changes in legislation independently.</p> <p>Other tax reliefs such as tax-free dividends and exemption from capital gains tax were unaffected by the sunset clause.</p>
<b>Compliance Risk</b>	<p>The Company has a premium listing on the London Stock Exchange and is required to comply with the rules of the UK Listing Authority, as well as with the Companies Act, Financial Reporting Standards and other legislation. Failure to comply with these regulations could result in a delisting of the Company’s shares, or other penalties under the Companies Act or from financial reporting oversight bodies.</p> <p>The Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019 (“AIFMD”) is a directive affecting the regulation of VCTs. Amati AIM VCT has been entered in the register of small, registered UK AIFMs on the Financial Services register at the Financial Conduct Authority (“FCA”). As a registered firm there are a number of regulatory obligations and reporting requirements which must be met in order to maintain its status as an AIFM.</p>	<p>Board members and the Manager have considerable experience of operating at senior levels within quoted businesses. In addition, the Board and the Manager receive regular updates on new regulations from the auditor, lawyers, the Company Secretary and other professional bodies.</p>

## Principal and Emerging Risks (continued)

Potential Risk	Potential Impact	Mitigation
<b>Internal Control Risk</b>	<p>Failures in key controls within the Board or within the Manager's business could put assets of the Company at risk or result in reduced or inaccurate information being passed to the Board or to shareholders or to other stakeholders.</p> <p>Inadequate or failed controls might result in breaches of regulations or loss of shareholder trust. The Manager operates a robust risk management system which is reviewed regularly to ensure the controls in place are effective in reducing or eliminating risks to the Company.</p> <p>Details of the Company's internal controls are on page 44.</p>	<p>The Board seeks to mitigate the internal control risk by setting policy, regular reviews of performance by the Manager and service providers, enforcement of contractual obligations and monitoring progress and compliance.</p>
<b>Financial Risk</b>	<p>By its nature, as a venture capital trust, the Company is exposed to market price risk, credit risk, liquidity risk and interest rate risk.</p> <p>The Company has from time to time been exposed to currency risk.</p>	<p>The Company's policies for managing these risks are outlined in full in notes 16 to 19 to the financial statements on pages 76 to 78. The Company is financed wholly through equity.</p>
<b>Economic Risk</b>	<p>Events such as economic recession, not only in the UK, but also in the core markets relevant to our investee companies, together with a movement in interest rates, can affect investor sentiment towards liquidity risk, and hence have a negative impact on the valuation of smaller companies. The economic future for the UK and the wider world would appear to be as uncertain as it has ever been in the last few decades. US President Trump's aggression and unpredictability leaves other countries wrong footed and unsure of the future. Wars in Europe and the Middle East combine and continue to give grave concern. This happens at the same time as countries are seeing levels of government debt that have not been this high since World War II, and the UK is no exception.</p> <p>Government actions to deal with Covid-19 and to boost the economy during the pandemic resulted in rising inflation and therefore interest rates, the impacts on the</p>	<p>The Manager seeks to mitigate economic risk by seeking to adopt a suitable investment style for the current point in the business cycle, and to diversify the exposure to geographic end markets.</p>



Potential Risk	Potential Impact	Mitigation
<b>Economic Risk (continued)</b>	cost of living being exacerbated by high energy prices caused by poor Government energy policy decision-making in the rush to go green, reliance for energy supplies on Russia and the impact of that country's invasion of Ukraine. UK financial markets and the UK economy have still not recovered from the measures taken by the government during the Covid-19 pandemic, and the country continues to suffer from a lack of growth and the threat of recession. Money invested in UK stock markets has flowed out of the country with the main beneficiaries being US stock markets.	
<b>Operational Risk</b>	Failure of the Manager's, or other contracted third parties', accounting systems or disruption to their businesses might lead to an inability to provide accurate reporting and monitoring or loss to shareholders.	The Manager regularly reviews the performance of third-party suppliers at monthly management meetings and the Nomination Committee of the Company considers third-party suppliers' performance annually. The Board considers the Manager's performance at every quarterly meeting.
<b>Concentration Risk</b>	Although the Company has a diversified portfolio of investments, the twenty largest investments (excluding money market funds) account for 58% of the total investments. A material fall in any one non-money market investment can have a significant impact on the overall net asset value.	Portfolio weighting limits apply to the portfolio's largest company holdings such that no investee company holding is allowed to approach a size of 10% of the portfolio, with action normally taken well before that level particularly where the shares have become overbought with no underlying earnings justification.

## Section 172 Statement Directors' Duty to Promote the Success of the Company

This section sets out the Company's Section 172 Statement and should be read in conjunction with the other contents of the Strategic Report. The Directors have a duty to promote the success of the Company for the benefit of its members as a whole and in doing so to have regard to a number of matters including:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the Company.

As an externally managed investment company, the Company does not have employees. Its main stakeholders therefore comprise the shareholders, the Investment Manager, other service providers and investee companies.

To ensure that the Directors are aware of, and understand, their duties, they are provided with a tailored induction, including details of all relevant regulatory and legal duties as a Director of a UK public limited company when they first join the Board, and continue to receive regular and ongoing updates and training on relevant legislative and regulatory developments.

They also have continued access to the advice and services of the Company Secretary, and when deemed necessary, the Directors can seek independent professional advice. The Terms of Reference of the Board's committees are reviewed annually and describe the Directors' responsibilities and obligations and include any statutory and regulatory duties.

Stakeholder	Importance	Board Engagement
Shareholders	Continued shareholder support and engagement are critical to the continuing existence of the business and its future growth.	<p>The Board places great importance on communication with its shareholders and encourages shareholders to attend the AGM and an annual investor event and welcomes communication from shareholders as described more fully on page 42 in the Statement of Corporate Governance.</p> <p>During the year, the Board has had regular engagement with a large number of shareholders, both directly and through a survey conducted by the Manager, as part of the Strategic Review.</p>

Stakeholder	Importance	Board Engagement
<b>Investment Manager</b>	The Manager's performance is fundamental for the Company to successfully deliver its investment strategy, meet its investment objective and its long-term success.	<p>The Board's decisions are intended to achieve the Company's objective to generate tax free capital gains and income on investors' funds and maintaining the Company's status as a VCT is a critical element of this. The Board regularly monitors the Company's performance in relation to its investment objectives and seeks to maintain a constructive working relationship with the Manager. Representatives of the Manager attend each quarterly board meeting and provide an update on the investment portfolio along with presenting on macroeconomic issues. Monthly updates on performance are also circulated to the Board between board meetings. The Board also expects good standards at the companies within which the Company is invested and, as described on page 31, the Manager remains a signatory to the UK Stewardship Code, and the Principles for Responsible Investment.</p> <p>In March 2024, the Board announced that, in conjunction with the Manager, it had launched a Strategic Review to consider the Company's strategic options in light of the ongoing challenges in the AIM market and the resultant performance issues faced by the Company. Following the conclusion of this review, the Board announced the planned change of investment manager on 2 December 2024.</p>
<b>Other service providers</b> Including: the registrar, the receiving agent, the tax adviser, the auditor, the lawyers, the Company Secretary and the Fund Accountant	In order to function as an investment trust with a premium listing on the London Stock Exchange, the Company engages a diverse and experienced range of advisors for support with meeting all relevant obligations.	The Board maintains regular contact with its key external service providers, and the quality of the provision of these services is considered by the Board at Board meetings, as well as being subject to a more formal annual review of both performance and fees by the Remuneration Committee.
<b>Investee companies</b>	The Company's performance is directly linked to the performance of its underlying investee companies and accordingly communication with those entities is regarded as very important.	<p>Where the Company takes a significant stake in an early stage quoted company, the Manager aims where possible to secure direct or indirect board representation. The Manager ensures this is achieved on boards of unquoted companies.</p> <p>The Board's primary focus in promoting the long-term success of the Company for the benefit of the members as a whole is to direct the Company with a view to achieving the investment objective in a manner consistent with its stated investment policy and strategy.</p>

Section 172 Statement  
Directors' Duty to Promote the Success  
of the Company (continued)

### Key decision making

The mechanisms for engaging with stakeholders are kept under review by the Directors and discussed at Board meetings to ensure they remain effective. The Board has policies for dividends, share buybacks and the dividend re-investment scheme, all of which it is considered are for the benefit of shareholders.

During the year the Directors discussed these and reaffirmed their commitment to the policies. An example of a principal decision made during the year, and how the Board fulfilled its duties under Section 172, is set out below:

Principal Decision	Long-term impact	Stakeholder Engagement
<b>Change of Investment Manager, Investment Objectives and Policy</b>	<p>Notice was served to terminate the appointment of Amati Global Investors Limited (AGI) as the Company's investment manager on 2 December 2024 and the Board agreed to appoint Maven Capital Partners UK LLP ("Maven") as the new investment manager, administrator and company secretary. The terms on which Maven will be appointed were announced on 28 February 2025. Having agreed terms for the early termination of the current manager, a new investment management agreement has been entered into with Maven under which Maven's appointment is expected to take effect from 1 May 2025. Further details will be set out in a separate announcement to be released by the Company on or around 16 April 2025.</p> <p>This change of manager will provide the Company with access to an increased pipeline of investment opportunities and greater resources to support the management of the Company's portfolio.</p> <p>The Board is proposing changes to the Company's investment objectives and policy that would enable a greater degree of investment in unquoted UK companies with strong growth potential, alongside continued investment in companies quoted on AIM and AQSE (an AIM Plus strategy). FCA approval of the proposed changes to the investment objectives and policy was obtained on 25 March 2025.</p>	<p>The Board announced in March 2024 that it had launched a Strategic Review, in conjunction with the Manager, to consider the available strategic options in light of the ongoing challenges faced in the AIM market and the resultant performance issues faced by the Company. The Board worked closely with the Manager to consider a number of options, and as part of this review, the Manager undertook a shareholder survey to better understand shareholders' views. The results of this survey were shared in full with the Board and carefully considered prior to the decision to change manager being made. Further announcements were made on the progress of this review in May 2024, with the outcome announced on the stock exchange on 2 December 2024.</p> <p>The Chairman has also corresponded with a number of shareholders who contacted her directly at AmatiAIMVCTChair@amatiglobal.com during, and following, the Strategic Review process.</p> <p>Shareholders will be asked to approve the changes to the Company's investment objectives and policy at the upcoming AGM, before they are adopted.</p>
<b>Payment of a Special Dividend</b>	<p>Due to a combination of the Company's cash levels remaining high, ongoing realisations in the portfolio and quality AIM investment opportunities remaining scarce, the Board considered that payment of a special dividend best utilised the Company's current cash levels.</p>	<p>The Board carefully considered the impact of a special dividend to shareholders, including on its cash levels, and it determined that whilst cash and current asset investments had the benefit of liquidity, they do not generate exposure to the investment opportunities shareholders have entrusted the Company to find and therefore a special dividend was in the best interests of shareholders, to return excess cash. In light of the lack of current qualifying investment opportunities, the Board also decided it was in the best interests of shareholder to temporarily suspend the dividend reinvestment scheme.</p>

Principal Decision	Long-term impact	Stakeholder Engagement
<b>Payment of Second Interim Dividend and a further Special Dividend</b>	<p>Following a number of disposals of qualifying holdings, one of which was the largest qualifying investment in the Company's portfolio, along with some partial disposals of other holdings, this had resulted in realisations of around £16m during the Company's financial year with new qualifying investments amounting to £9m.</p> <p>Given the continued high level of cash and current asset investments, the decision was made to accelerate the timings of dividend payments with the declaration of a second interim dividend, as well as a special dividend. At the time of the announcement, this still left cash and current asset investments representing around 19% of the Company's Net Asset Value. The Board considered that the payment of a second interim dividend and also a special dividend best utilises the Company's current cash levels.</p>	<p>The Board decided it was appropriate to return excess cash to shareholders. This approach is in line with the Company's dividend policy.</p>

### Environmental, Social and Governance ("ESG") Policies, and Responsible Ownership

The Company has no employees and no premises and the Board has decided that the direct impact of its activities is minimal; therefore it has no policies relating to social, community and human rights issues. However, the Board does consider the impact of its operations on the environment and over the past couple of years the Board made the decision to no longer pay dividends via cheque and to no longer provide printed copies of the Company's Half-Yearly report in order to reduce the use of paper. The Company engaged with its shareholders on the matter.

The Company's indirect impact occurs through the range of organisations in which it invests and for this it follows a policy of Responsible Ownership.

In terms of external validation and support, Amati Global Investors, the Manager, is a signatory to the UK Stewardship Code which aims to enhance the quality of engagement between investors and companies to help improve long-term risk adjusted returns to shareholders. Amati's approach to Stewardship and Shareholder Engagement can be found at <https://www.amatiglobal.com/wp-content/uploads/2024/05/Stewardship-Report-2023.pdf>.

Amati is also a signatory to the UN-supported Principles for Responsible Investment (PRI), which works to understand the investment implications of ESG and to support its international network of signatories in incorporating ESG factors into their investment and ownership decisions. The PRI acts in the long-term interests of its signatories, of the financial markets and economies in which they operate and ultimately of the environment and society as a whole.

### Voting on portfolio investments

In 2024, the Manager voted in respect of 59 Amati AIM VCT holdings at 80 company meetings on a range of ESG issues.

### Business Conduct

The Board takes its responsibility to prevent bribery very seriously and has a zero-tolerance policy towards bribery. It has committed to carry out all business in an honest and ethical manner and to act professionally, fairly and with integrity in all its business dealings and relationships. The Manager has its own anti-bribery and corruption policy.

### Global Greenhouse Gas Emissions

The Company is a low energy user and is therefore exempt from the reporting obligations under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 or the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, implementing the UK Government's policy on Streamlined Energy and Carbon Reporting. The Company has no greenhouse gas emissions or energy consumption to report from the operations of the Company, nor does it have responsibility for any other emission producing sources. Under UK listing rule 11.4.22(R), the Company, as a closed ended investment fund, is currently exempt from complying with the Task Force on Climate related Financial Disclosures.

## Other Matters

### VCT Regulations

The Company's investment policy is designed to ensure that it meets the requirements of HM Revenue & Customs to qualify and to maintain approval as a VCT:

- (i) The Company must, within three years of raising funds, maintain at least 80% of its investments by VCT value (cost, or the last price paid per share, if there is an addition to the holding) in shares or securities comprised in qualifying holdings (this percentage rose from 70% to 80% for accounting periods beginning on or after 6 April 2019 which for the Company was from 1 February 2020). At least 70% by VCT value must be ordinary shares which carry no preferential rights. A further condition requires that 30% of new funds raised in accounting periods beginning after 5 April 2018 are to be invested in qualifying holdings within 12 months of the accounting period following the issuance of shares;
- (ii) The Company may not invest more than 15% of its investments in a single company and it must have at least 10% by VCT value of its total investments in any qualifying company in qualifying shares approved by HM Revenue & Customs;
- (iii) To be classed as a VCT qualifying holding, companies in which investments are made must have no more than £15 million of gross assets at the time of investment and £16 million after investment; they must be carrying on a qualifying trade and satisfy a number of other tests including those outlined below; the investment must also be made for the purpose of promoting growth or development;
- (iv) VCTs may not invest new capital in a company which has raised in excess of £5 million (£10 million from 6 April 2018 if the company is deemed to be a Knowledge Intensive Company) from all sources of state-aided capital within the 12 months prior to and including the date of investment;
- (v) No investment may be made by a VCT in a company that causes that company to receive more than £12 million (£20 million if the company is deemed to be a Knowledge Intensive Company) of state aid investment (including from VCTs) over the company's lifetime. A subsequent acquisition by the investee company of another company that has previously received State Aid Risk Finance can cause the lifetime limit to be exceeded;
- (vi) No investment can be made by a VCT in a company whose first commercial sale was more than 7 years prior to date of investment, except where previous State-Aid Risk Finance was received by the company within 7 years (10 years in each case for a Knowledge Intensive Company) or where both a turnover test is satisfied and the money is being used to enter a new product or geographical market;
- (vii) No funds received from an investment into a company can be used to acquire another existing business or trade;
- (viii) Since 6 April 2016 a VCT must not make "nonqualifying" investments except for certain specified investments held for liquidity purposes and redeemable within seven days. These include investments in UCITS (Undertakings for Collective Investments in Transferable Securities) funds, AIF (Alternative Investment Funds) and in shares and securities purchased on a Regulated Market. In each of these cases the restrictions in (iii) – (vii) above are not applied; and
- (ix) Non-qualifying investments in AIM-quoted shares are not permitted as AIM is not a Regulated Market.

During 2018, HMRC stopped issuing pre-clearance letters for VCT investments. They are encouraging VCTs not to use the advance assurance service for investments and have stated that where a VCT has taken reasonable steps to ensure an investment is qualifying, the VCT status will not be withdrawn where an investment is ultimately found to be non-qualifying.

The Manager and the Board rely on advice from Philip Hare & Associates regarding the qualifying status of new investments. The Manager monitors compliance with VCT qualifying rules on a day-to-day basis through a combination of automated and manual compliance checks in place within the business. Philip Hare & Associates also review the portfolio bi-annually to ensure the Manager has complied with regulations and has reported to the Board that the VCT has met the necessary requirements during the year.



### PRIPs Regulations

The Company is required to publish a Key Information Document (KID), which sets out the key features, risks, potential future performance and costs of PRIIPs (Packaged Retail and Insurance-based Investment Products). This document is available at the Company's website, currently: [www.amatiglobal.com](http://www.amatiglobal.com).

### Statement on Long-term Viability

In accordance with the UK Corporate Governance Code published in July 2018 (the "Code"), the Directors have carried out a robust assessment of the prospects of the Company for the period to January 2030, taking into account the Company's performance and emerging and principal risks, and are of the opinion that, at the time of approving the financial statements there is a reasonable expectation that the Company will be able to continue in operation and meet liabilities as they fall due over that period.

To come to this conclusion, the Manager prepares and the Directors consider an income statement and cash flow forecast for the next five years, which is considered to be an appropriate time period due to its consistency with the UK Government's tax relief minimum holding period for an investment in a VCT. This time frame allows for forecasts to be made to allow the Board to provide shareholders with reasonable assurance over the viability of the Company. In making their assessment the Directors have taken into account the nature of the Company's business and Investment Policy, its risk management policies, the diversification of its portfolio, the cash holdings and the liquidity of non-qualifying investments.

The Directors have considered in particular the likely economic effects and the impacts on the Company's operations of global geopolitical events, energy prices, sticky levels of inflation and interest rates.

The longer-term economic outlook is very difficult to predict but in considering preparing the long term viability of the Company the Directors noted the Company holds a portfolio of liquid investments and cash balances whose value is a multiple of liabilities.

### Other Disclosures

The Company had no employees during the year and has three non-executive directors, two of whom are female and one is male.

Since the year end, the Company has announced the proposed appointment of a new female Director, Neeta Patel CBE to the Board.

On behalf of the Board

### Fiona Wollocombe

Chairman

15 April 2025

## Board of Directors

Fiona Wollocombe  
Chairman of the Board



Fiona Wollocombe was appointed to the Board in June 2021 and was appointed Chairman at the end of the AGM in June 2022. She is also a non-executive director of Albion Technology & General VCT plc following the merger of Albion VCTs in December 2024. Her previous career was in equity capital markets at NatWest Markets and Deutsche Bank. She has previously held non-executive director roles for a number of other companies in the VCT sector including being chairman of Artemis VCT Plc and of Maven Income and Growth VCT PLC.

**Relevant skills and experience and reasons for re-election:**

Fiona brings strong banking, financial and investment trust skills to the Board. Her extensive knowledge and experience within the VCT industry help facilitate open conversation, constructive challenge of the Manager, and contribute to strategic discussions in her role as Chairman of the Board. Following a comprehensive board evaluation process, the board agreed that Fiona continues to be an effective Chairman and member of the Board.

Brian Scouler  
Non-Executive Director and  
Chairman of the Audit Committee



Brian Scouler joined the Board in May 2018. Prior to this he was a non-executive director of Amati VCT plc which merged with the Company in May 2018. He spent 30 years in Private Equity in senior roles with Charterhouse, Royal Bank of Scotland and Dunedin. He has wide experience of buying and selling private companies and investment portfolio management, sitting on numerous investee company boards. He was formerly manager of a quoted investment trust and a member of the steering committee of LPEQ, the listed private equity group. He is a Chartered Accountant.

**Relevant skills and experience and reasons for re-election:**

Brian's experience in company and investment portfolio management brings valuable business and financial skills to the Board. This enables him to assess the financial position of the Company and its projections, and to lead discussions regarding the Company's risk management framework and risk appetite. Brian's experience of managing audit relationships helps inform his role as Chairman of the Audit Committee. Following a comprehensive board evaluation process, the board agreed that Brian continues to be an effective member of the Board.

Julia Henderson  
Non-Executive Director and  
Chairman of the Remuneration  
and Nominations Committees



Julia Henderson joined the Board in May 2018. Prior to this she was a non-executive director of Amati VCT plc which merged with the Company in May 2018. She has specialised in advising quoted and unquoted companies for over thirty years. Her corporate finance career began at ANZ Merchant Bank after which she became a co-founder and a director of Beeson Gregory Limited, a mid-market investment bank. Since 2004 she has been an independent consultant, chairman and non-executive director to companies across a broad range of sectors. Previous non-executive directorships include Alkane Energy plc, ECO Animal Health Group plc, GTL Resources plc and TP Group plc.

**Relevant skills and experience and reasons for re-election:**

Julia's extensive experience in investment banking and as a non-executive director provides valuable insight to the board. Her experience aids constructive challenge in the boardroom. Following a comprehensive board evaluation process, the board agreed that Julia continues to be an effective member of the Board.

## Directors' Report

The Statement of Corporate Governance on pages 39 to 42 forms part of the Directors' Report.

### Principal Activity and Status

The Company is registered as a public limited company under the Companies Act 2006 (Registration number 04138683). The address of the registered office is 8<sup>th</sup> Floor, 100 Bishopsgate, London, EC2N 4AG. The principal activity of the Company is to invest in a portfolio of companies whose shares are primarily traded on AIM. The Directors have managed, and intend to continue to manage, the Company's affairs in such a manner as to comply with section 274 of the Income Tax Act 2007. A review of the Company's business during the year is contained in the Chairman's Statement and Fund Manager's Review.

### Directors

The Directors of the Company during the year under review were Fiona Wollocombe, who was the appointed Chairman of the Board from June 2022, Julia Henderson and Brian Scouler. The Company announced on 28 February 2025 that it intends to appoint Neeta Patel CBE as a new independent, non-executive Director of the Company. The date of her appointment will be announced in due course. Julia Henderson has also notified the Board of her intention to retire from the Board during 2025. The Company indemnifies its Directors and officers and has purchased insurance to cover its Directors. The Board has a policy which sets out the responsibility of the Chair which is available on the Company's website.

The rules concerning the appointment and replacement of Directors are contained within the Company's Articles of Association and the Companies Act 2006. The Articles of Association can be amended by shareholders at a General Meeting.

### Conflicts of Interest

Each Director has a statutory duty to avoid a situation where they have, or could have, a direct or indirect interest which conflicts, or may conflict with the interests of the Company. A Director will not be in breach of that duty if the relevant matter has been authorised in accordance with the Articles. The Board has approved a protocol for identifying and dealing with conflicts and has resolved to conduct a regular review of actual or possible conflicts and any authorised conflicts at every Board meeting. No conflicts or potential conflicts were identified during the year.

### Management

The Company's investments for the year under review were managed by Amati Global Investors Limited ("AGI"), subject to an Investment Management Agreement dated 30 September 2019 (the "Agreement") which was an update from the original agreement dated 19 March 2010. Pursuant to the Agreement, AGI is entitled to an investment management fee of 1.75% per annum charged on the net asset value of the Company at the quarter end, payable quarterly in arrears. The Manager rebates the fee it receives for the management of the Company's investment in the WS Amati UK Listed Smaller Companies Fund.

The Manager waived the right granted in the original Agreement to receive a performance fee.

The Agreement may be terminated by either party with twelve months' notice and notice was served on 2 December 2024 as detailed below.

### Manager Evaluation and Appointment of New Manager

As disclosed in the Chairman's Statement on page 4, the Board launched a Strategic Review in March 2024 in consultation with AGI to address the ongoing challenges in the AIM market and the resultant performance issues faced by the Company. As part of the review, the Board received proposals from a number of third parties, including proposals for a change of manager and proposals to combine its investment portfolio with an existing VCT. These were all carefully reviewed in great detail alongside proposals from the Company's current manager. As announced on 2 December 2024, following completion of the Strategic Review, the Board served notice to terminate the appointment of AGI as the Company's Investment Manager and to appoint Maven Capital Partners UK LLP ("Maven") as the new Manager. Details of the terms of appointment were announced to the market on 28 February 2025. Having agreed terms for the early termination of the current manager and entered into a new investment management agreement with Maven, Maven's appointment is expected to take effect from 1 May 2025. Further details will be set out in a separate announcement to be released by the Company on or around 16 April 2025.

The Board will review the skills, experience, resources and commitment of the new manager, as presented to the Board within the Strategic Review process, together with the investment performance, management processes, risk controls and the quality of support provided to the Board during the coming year.

## Directors' Report (continued)

**Dividend**

The Company paid an interim dividend of 2.5p per share on 25 October 2024, followed by a second interim dividend of 1.5p per share on 17 January 2025. The Company also paid two special dividends during the year of 10p per share on 10 June 2024 and 2.5p per share on 17 January 2025.

As stated in the Chairman's Statement on page 5, the Board has declared payment of a special dividend of 10 pence per share for the financial year ending 31 January 2025. The dividend will be paid on 30 May 2025 to shareholders on the register on 2 May 2025. The ex-dividend date will be 1 May 2025. There will be no DRIS available with this dividend.

**Share Capital**

There were 146,009,780 ordinary shares in issue at the year end. The Company does not hold any shares in treasury. During the year 5,060,044 shares in the Company with a nominal value of 5p per share were bought back for an aggregate consideration of £4.1m at an average price of 80.9p per share (representing 3.5% of the shares in issue at 31 January 2025). Since the year end, 1,623,155 shares have been bought back for an aggregate consideration of £1,125,150.18 at an average price of 68.4p per share. All of the shares were cancelled after purchase. The purpose of the share buybacks was to satisfy demand from those shareholders who sought to sell their shares during the period, given that there is a very limited secondary market for shares in Venture Capital Trusts generally. It remains the Board's policy to buy back shares in the market, subject to the overall constraint that such purchases are in the Company's interest including the maintenance of sufficient resources for investment in new and existing investee companies and the continued payment of dividends to shareholders. At the Company's year-end, authority remained for the Company to buy back 19,631,318 shares. No new shares were issued during the year.

The rights and obligations attached to the Company's ordinary shares are set out in the Company's Articles of Association, copies of which can be obtained from Companies House. The Company has one class of share, ordinary shares, which carry no right to fixed income. The holders of ordinary shares are entitled to receive dividends when declared, to receive the Company's report and accounts, to attend and speak at general meetings, to appoint proxies and to exercise voting rights.

There are no restrictions on voting rights and no restrictions concerning the transfer of shares in the Company except that certain restrictions may from time to time be imposed by laws and regulations (for example, insider trading laws). There are no special rights with regard to control attached to securities; no agreements between holders of securities regarding their transfer known to the Company; and no agreements to which the Company is a party that might change or fall away on a change of control or trigger any compensatory payments for Directors, following a successful takeover bid.

**Annual General Meeting**

The Company intends to hold the next AGM on 19 June 2025, and all shareholders are invited to attend. The details of the business to be put to the meeting, as well as information on how to register, will be included in the Notice of AGM which this year will be sent to shareholders separately, and will also be available on the Company's website. The Board is of the opinion that the passing of all resolutions being put to the AGM would be in the best interests of the Company and its shareholders. The Directors recommend that shareholders vote in favour of all resolutions which will be set out in the Notice of Meeting, as they intend to do in respect of their own shareholdings.

**Independent Auditor**

Following an evaluation of the auditor, the Board proposes that BDO LLP be reappointed as independent auditor to the Company at the upcoming AGM. Accordingly resolutions will be proposed at the upcoming AGM for the reappointment of BDO LLP and to authorise the Directors to agree the independent auditor's remuneration. Further details regarding the audit assessment can be found in the Audit Committee report on page 45.

**Substantial Shareholdings**

	31 January 2025		As at the date of this report	
	No of ordinary share held	% of shares in issue	No of ordinary shares held	% of shares in issue
Hargreaves Lansdown (Nominees) Limited	6,890,438	4.7%	7,073,915	4.9%

### Election and re-election of Directors

In accordance with the AIC Code of Corporate Governance, all Directors are proposed for re-election at the upcoming AGM. Biographical details of all Directors and their reasons for re-election are set out on page 34. As announced on 28 February 2025, the Board intends to appoint Neeta Patel CBE as a new independent, non-executive director of the Company. Consequently she will be proposed for election at the upcoming AGM.

### Going Concern

In accordance with FRC Guidance for Directors on going concern and liquidity risk the Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has adequate resources to continue in operational existence for a period of 12 months from the date these financial statements were approved.

In making this assessment, the Directors took into account the nature of the Company's business and Investment Policy, its risk management policies, the diversification of its portfolio, the cash holdings and the liquidity of investments.

The Company's business activities, together with the factors likely to affect its future development, performance and position including the financial risks the Company is exposed to are set out in the Strategic Report on pages 4 to 33. The Directors have considered in particular the ongoing desultory performance of the UK economy, its battle for growth, the disinterest in its financial markets, particularly the Alternative Investment Market, and geopolitical events ongoing in the world.

The longer term economic outlook is difficult to predict but in considering preparing the accounts on a going concern basis the Directors noted the Company holds a portfolio of liquid investments and cash balances whose value is a multiple of liabilities. The Directors are of the view that the Company can meet its obligations as and when they fall due. The cash available enables the Company to meet any funding requirements and finance future additional investments. The Company is a closed-end fund, where assets are not required to be liquidated to meet day-to-day redemptions. The Board has reviewed stress testing and scenario analysis prepared by the Investment Manager to assist it in assessing the impact of changes in market value and income with associated cash flows.

In making this assessment, the Investment Manager has considered plausible downside scenarios. These tests included the modelling of a reduction in income of 50%, increase in costs of 50% and a reduction in net asset value of 50%, any or all of which could apply to any set of circumstances in which asset value and income are significantly impaired. It was concluded that in a plausible downside scenario, the Company could continue to meet its liabilities.

Whilst the economic future is uncertain, and the Directors believe that it is possible the Company could experience further reductions in income and/or market value, the opinion of the Directors is that this should not be to a level which would threaten the Company's ability to continue as a going concern. The Investment Manager and the Company's third party service providers have contingency plans to ensure the continued operation of their business in the event of disruption.

The Board is satisfied that there has been no impact to the services provided during the year and are confident that this will continue. Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern, having taken into account the liquidity of the Company's investment portfolio and the Company's financial position in respect of its cash flows, borrowing facilities and investment commitments (of which there are none of significance). Therefore, the financial statements continue to be prepared on the going concern basis.

### Accountability and Audit

The independent auditor's report is set out on pages 51 to 57 of this annual report. The Directors who were in office on the date of approval of these Annual Report and Financial Statements have confirmed that, as far as they are aware, there is no relevant audit information (as defined by Section 418(3) of the Companies Act 2006) of which the auditor is unaware.

Each of the Directors has taken all the steps they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

## Directors' Report (continued)

**UK Listing Rule Disclosure**

The Company confirms that there are no items which require disclosure in relation to UK Listing Rule 6.6.4 in respect of the year ended 31 January 2025.

**Financial Instruments**

The Company's financial instruments comprise equity and fixed interest investments, cash balances and liquid resources including debtors and creditors. Further details, including details about risk management, are set out in the Strategic Report and in notes 16 to 19 on pages 76 to 78.

**Future Developments**

Significant events which have occurred after the year end are detailed in note 21 on page 79. Future developments which could affect the Company, including details of the intended change in Investment Manager and Investment Policy, are discussed in the outlook sections of the Chairman's Statement. As disclosed on page 33, Neeta Patel CBE will be appointed to the Board in due course and further details on the timing of her appointment will be disclosed to shareholders once finalised.

On behalf of the Board

**Fiona Wollocombe**

Chairman

15 April 2025



## Statement of Corporate Governance

The Board of Amati AIM VCT plc has considered the Principles and Provisions of the AIC Code of Corporate Governance published in February 2019 ("AIC Code"). The AIC Code addresses the Principles and Provisions set out in the UK Corporate Governance Code published in July 2018 (the "UK Code"), as well as setting out additional Provisions on issues that are of specific relevance to the Company as a venture capital trust.

In August 2024, the Association of Investment Companies ("AIC") published the 2024 AIC Code aligning with the 2024 UK Corporate Governance Code published by the Financial Reporting Council ("FRC") in January 2024. The 2024 AIC Code applies to accounting periods beginning on or after 1 January 2025, with the exception of Provision 34 relating to risk management and internal controls, which will apply on or after 1 January 2026. The Board is already in the planning stages of ensuring compliance by the given deadlines and will disclose their compliance against the updated code in the next annual report and accounts.

The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been endorsed by the Financial Reporting Council, provides more relevant information to shareholders. Throughout the year, the Company has complied with the Principles and Provisions of the AIC Code, except as set out below:

- Provision 14: the Board has determined that the size of the Board does not warrant the appointment of a senior independent director. In the absence of a senior independent director, the remaining two directors discuss and assess the performance of the Chairman annually as part of the board evaluation process.
- Provision 17: given the size of the Board, the Directors feel it is unnecessarily burdensome to set up a separate management engagement committee, and the Remuneration Committee (comprising all Directors) therefore reviews the performance of the Manager, as well as other service providers, annually.

The AIC Code is available on the AIC website ([www.theaic.co.uk](http://www.theaic.co.uk)). It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant for investment companies. The UK Code is available from the Financial Reporting Council's website at [www.frc.org.uk](http://www.frc.org.uk). For the reasons set out in the AIC Code, the Board considers that the provisions relating to the role of chief executive, executive directors' remuneration, employees and the need for an internal audit function are not relevant to the position of the Company, due to the size and specialised nature of the Company, the fact that all Directors are independent and non-executive, and the costs involved.

### Board of Directors

The Company has a Board of three Directors, all of whom are considered independent non-executive directors under the AIC Code. As all Directors have acted in the interests of the Company throughout the period of their appointment and demonstrated commitment to their roles, the Board recommends they be re-elected at the upcoming Annual General Meeting ("AGM").

Julia Henderson, who has served on the Board since 2018, has announced her intention to retire from the Board. In addition, it has been announced that Neeta Patel CBE will be joining the Board. Further details on the timing of Julia's resignation and Neeta's appointment will be announced in due course.

The Company may by ordinary resolution appoint any person who is willing to act as a Director, either to fill a vacancy or as an additional Director. No Director has a service contract with the Company. All of the Directors have been provided with letters of appointment, which are available for inspection by shareholders immediately before and after the Company's AGM.

Directors are provided with key information on the Company's activities including regulatory and statutory requirements and internal controls by the Manager. The Manager, in the absence of explicit instructions from the Board, is empowered to exercise discretion in the use of the Company's voting rights. All shareholdings are voted, where practical, in accordance with the Manager's own corporate governance policy, which is to seek to maximise shareholder value by constructive use of votes at company meetings and by endeavouring to use its influence as an investor with a principled approach to corporate governance.

The AIC Code states that the Board should have a formal schedule of matters specifically reserved to it for decision, to ensure that it has firm direction and control of the Company. This is achieved by an investment management agreement between the Company and the Manager, which sets out the matters over which the Manager has authority and the limits above which Board approval must be sought. All other matters including strategy, investment and dividend policies, gearing and corporate governance proceedings are reserved for the approval of the Board of Directors. During the year, the Board reviewed and approved the schedule of matters reserved for the Board.

## Statement of Corporate Governance (continued)

All of the Directors are equally responsible for the proper conduct of the Company's affairs. In addition, the Directors are responsible for ensuring that the policies and operations are in the best interests of all the Company's shareholders and that the best interests of creditors and suppliers to the Company are properly considered. The Chairman and the Company Secretary establish the agenda for each Board meeting. The necessary papers for each meeting are distributed well in advance of each meeting ensuring all Directors receive accurate, timely and clear information.

The Directors communicate regularly with each other, and with the Manager, on ongoing business between Board meetings.

**Independence of Directors and Tenure**

The Board regularly reviews the independence of each Director and of the Board as a whole in accordance with the guidelines in the AIC Code, and during the reporting period, reviewed and approved the Board Tenure Policy. Directors' interests are noted at the start of each Board meeting and any Director would not participate in the discussion concerning any investment or any decision in which he or she had an interest. The Board does not consider that length of service will necessarily compromise the independence or effectiveness of Directors and that such experience can be of significant benefit to the Company and its shareholders; it is important that the Board is able to effectively maintain its long-term perspective, supported by a long corporate memory, as well as the regular challenge provided by fresh thinking. As a result, no limit has been placed on the overall length of service, although the Board does bear in mind the nine year provision relating to independence and length of service included in the AIC Code when considering Board succession. The Board believes that each Director has demonstrated that they are independent in character and judgment and there are no relationships or circumstances which could affect their objectivity.

**Board Performance**

The Board carries out a performance evaluation of the Board, committees and individual Directors each year. Since the Company is outside of the FTSE 350, under the AIC Code it is not required to undertake an externally facilitated board evaluation, although an external evaluation was undertaken in 2021. In 2024, the evaluation was undertaken by the Company Secretary in the format of a board evaluation questionnaire covering a range of topics. Key outcomes of the evaluation were:

- that the balance of skills remains appropriate, and all Directors continue to contribute fully to discussion in an open, constructive and objective way.
- the composition of the Board and its committees is considered appropriate for the effective governance of the Company. The biographies of the Directors, set out on page 34, demonstrate the wide range of investment, commercial and professional experience and diversity of experience and background that they contribute.
- each of the board committees continue to perform effectively.
- the discussion at Board meetings is considered to be of a good quality.
- succession planning has continued to be a focus for the Board. The Nomination Committee has carefully considered the size of the Board and agreed that whilst the Strategic Review was ongoing, it would not be appropriate to make changes to the Board. Following the completion of the Strategic Review in December 2024, Julia Henderson, who has served on the Board since 2018, has announced her intention to retire from the Board. In addition, it has been announced that Neeta Patel CBE will be joining the Board. Further details on the timing of Julia's resignation and Neeta's appointment will be announced in due course.
- the performance of the Manager and future strategic options available to the Company were highlighted as an area of concern in the evaluation, the outcome of which has been addressed through the Strategic Review.

**Board Committees**

The Board has established three committees to assist with its operations, namely the Audit Committee, the Remuneration Committee and the Nomination Committee. Each of the committees' delegated responsibilities are clearly defined in formal terms of reference which are available on request from the Company Secretary and can be found on the Company's website, currently: <https://www.amatiglobal.com/funds/amati-aim-vct-plc/>.

**Audit Committee**

The Report of the Audit Committee is included on pages 43 to 45 and forms part of this statement.

**Remuneration Committee**

The Directors' Remuneration Report can be found on pages 46 to 49 of this report.

### Nomination Committee

The Nomination Committee, chaired by Julia Henderson, comprises the full Board. Given the small size of the Board, this is felt to be appropriate as permitted by the AIC Code. It meets at least once annually to make recommendations to the Board on board structure, size and composition (including the knowledge, experience, skills and diversity of the Board). The Committee considers succession planning at each meeting, particularly in relation to the positions of the Chairman and the chair of the Audit Committee. In considering appointments to the Board, the Nomination Committee takes into account the ongoing requirements of the Company and the need to have a balance of skills and experience within the Board.

As disclosed above, Julia Henderson will retire from the Board during 2025. In addition, it has been announced that Neeta Patel CBE will be joining the Board and shareholders will be notified of the effective date in due course.

### Diversity

The Board has considered the recommendations of the AIC Code on Corporate Governance concerning gender diversity and welcomes initiatives aimed at increasing diversity generally. The Board is clear that maintaining an appropriate balance around the board table through a diverse mix of skills, experience, knowledge, length of service and background is of paramount importance and gender diversity is a significant element of this. Any search for new board candidates is conducted, and appointments made, on merit, against objective selection criteria having due regard, among other things, to the benefits of diversity on the board. The Board therefore continues to consider that it would be inappropriate to set a target and will always appoint the best person for the job based on merit, and will not discriminate on the grounds of gender, race, ethnicity, religion, sexual orientation, age, physical ability or social background. In accordance with UKLR 6.6.6(10), the following table summarises the gender and ethnicity of our current Board as at 31 January 2025. We are fully compliant with the requirements that at least 40% of individuals on the board are women and that at least one of the senior board positions is held by a woman. However, we do not currently comply with the requirement that one Director should be from an ethnic minority background. This is something the Board will be mindful of in any future recruitment.

### Gender identity or sex

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (SID and chair)
Men	1	33.3%	–
Women	2	66.7%	1
Other	–	–	–
Not specified/ prefer not to say	–	–	–

### Ethnic background

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (SID and chair)
White British or other White (including minority white groups)	3	100%	–
Mixed/ Multiple Ethnic Groups	–	–	–
Asian/Asian British	–	–	–
Black/African/ Caribbean/Black British	–	–	–
Not specified/ prefer not to say	–	–	–

The information presented in these tables was collected on a self-reporting basis.

## Statement of Corporate Governance (continued)

**Board and Committee Meetings**

The following table sets out the Directors' attendance at scheduled Board and committee meetings held during the year ended 31 January 2025.

Director	Board meetings		Audit committee meetings		Remuneration committee meetings		Nomination committee meetings	
	held	attended	held	attended	held	attended	held	attended
Julia Henderson	4	4	3	3	1	1	1	1
Brian Scouler	4	4	3	3	1	1	1	1
Fiona Wollocombe	4	4	3	3	1	1	1	1

The Board is in regular contact with the Manager between Board meetings. In addition to the above meetings, the Board met a number of times on an ad hoc basis during the year to discuss various strategic matters as they arose, including in relation to the Strategic Review and the approval of the special dividends and second interim dividend.

**Internal Control**

Details of the principal risks and internal controls applied by the Board are set out on pages 24 to 27. The disclosures on internal control and risk management procedures in the Report of the Audit Committee on page 44 form part of this Corporate Governance Statement.

**Relations with Shareholders**

The Company welcomes the views of shareholders and places great importance on communication with its shareholders. Shareholders have the opportunity to meet the Board at the AGM. All shareholders are welcome to attend the meeting and to ask questions of the Directors. The Board is also happy to respond to any written queries made by shareholders during the course of the year, that can be emailed to AmatiAIMVCTChair@amatiglobal.com. Communications from shareholders are recorded and reviewed by the Board at every Board meeting to ensure that shareholder enquiries are promptly and adequately resolved. Amati also regularly engages with shareholders and updates on shareholder communication are provided at every Board meeting.

There was additional correspondence with shareholders during the year by the Manager as part of the Strategic Review, the results of which were shared in full with the Board. The Chairman has also responded directly to a number of shareholder enquiries received throughout the year, and in particular in relation to the Strategic Review.

The Company also communicates with shareholders through annual and half-yearly reports, which are available on the Company's website, currently: [www.amatiglobal.com](http://www.amatiglobal.com).

The Directors consider the annual report and financial statements taken as a whole are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

**Share Capital and Companies Act Disclosures**

Details of the Company's share capital structure and other Companies Act 2006 Disclosures and details of substantial interests are set out on pages 36 and 37.

On behalf of the Board

**Fiona Wollocombe**  
Chairman

15 April 2025

## Report of the Audit Committee

### Composition of the Committee

All of the Directors serve on the Audit Committee and the Board is satisfied that their combined financial, investment and business experience, notably in the venture capital trust sector, contributes to the Committee's effective functioning. Brian Scouler, a chartered accountant, chairs the audit committee. His recent financial, audit and sector experience stands him in good stead in this role. Given the size of the Board, and Fiona Wollocombe's experience, the Board continues to consider it appropriate for her to sit on the Audit Committee as permitted by the AIC Code.

- monitoring the effectiveness of the system of internal controls and risk management, including a detailed review of the Company's risk register;
- receiving bi-annual compliance reports from the manager;
- approving the independent auditor's plan and fees;
- receiving a report from the independent auditor following their detailed audit work, and discussing key issues arising from that work; and
- reviewing its own terms of reference in accordance with the AIC Code.

### Role of the Committee

During the year ended 31 January 2025, the audit committee met three times. Its work consisted of:

- reviewing all financial statements released by the Company (including the annual and half-year report);
- reviewing the Company's accounting policies, including the Financial Position and Prospects Procedures and Non-audit services Policy;

### Significant Issues considered by the Committee during the year

The Directors carried out a robust assessment of the principal risks facing the Company and concluded that the key areas of risk which threaten the business model, future performance, solvency or liquidity of the Company are:

Key risk area	Conclusion
<b>Compliance with HM Revenue &amp; Customs to maintain the Company's VCT status</b>	The Manager confirmed to the audit committee that the conditions for maintaining the Company's status had been complied with throughout the year. The Company's VCT status is also reviewed by the Company's tax adviser, Philip Hare & Associates, as described on page 32.
<b>Valuation of investments</b>	<p>The Manager confirmed to the audit committee that the basis of valuation for quoted and unquoted companies was consistent with the prior year and in accordance with published industry guidelines. The valuation of quoted companies on AIM or those with a full listing is generally based on bid prices, and for investments traded on SETS (London Stock Exchange's electronic trading services) is based on the last traded price. The valuation of unquoted companies takes account of the latest available information about investee companies and current market data. A comprehensive report on the valuation of unquoted investments is presented and discussed at every Board meeting; Directors are also consulted about material changes to those valuations between Board meetings.</p> <p>As part of the strategic review, the Directors considered portfolio concentration risks and possible mitigations including portfolio diversification strategies.</p>
<b>Market decline sparked by national or global events</b>	Black swan events such as wars cannot be predicted but can have an effect on markets. The Manager's approach to dealing with any market adjustment is to be as diversified as possible so as to not overly suffer from a decline in a particular sector. As the sector graph on page 20 shows, the VCT's investments are spread across eleven sectors. The audit committee is satisfied that the Manager considers risk appropriately in its investment decision making process.

## Report of the Audit Committee (continued)

These matters are monitored regularly by the Manager and are reviewed by the Board at every Board meeting. They were also discussed with the Manager and the auditor at the audit committee meeting held to discuss the annual financial statements.

The Manager and auditor confirmed to the audit committee that they were not aware of any material unadjusted misstatements. Having reviewed the reports received from the Manager, the audit committee is satisfied that the key areas of risk and judgement have been properly addressed in the financial statements and that the significant assumptions used in determining the value of assets and liabilities have been properly appraised and are sufficiently robust.

### Internal Control

The Board acknowledges that it is responsible for the Company's internal control systems and for reviewing their effectiveness. In accordance with the AIC Code and the Guidance on Risk Management, Internal Control and Related Financial and Business Reporting published by the Financial Reporting Council in 2014, the audit committee has established an ongoing process for identifying, evaluating and managing the significant risks faced by the Company. Internal controls are designed to manage the particular needs of the Company and the risks to which it is exposed. The internal control systems aim to ensure the maintenance of proper accounting records, the reliability of the financial information upon which business decisions are made and which is used for publication, and that the assets of the Company are safeguarded. By their nature, internal controls only provide reasonable and not absolute assurance against material misstatement or loss. The financial controls operated by the Board include the authorisation of the investment strategy and regular reviews of the results and investment performance.

The Board has delegated contractually to third parties, as set out on page 23, the management of the investment portfolio, the custodial services, including the safeguarding of the assets, the day-to-day accounting, company secretarial and administration requirements and registration services. Each of these contracts was entered into after full and proper consideration by the Board of the quality and cost of services offered. The Board receives and considers regular reports from the Manager. Ad hoc reports and information are supplied to the Board as required. It remains the role of the Board to keep under review the terms of the investment management agreement with the Manager.

A bi-annual review of the control systems is carried out which covers consideration of the key risks in three major areas: corporate strategy and compliance with laws and regulations; financial management and company reporting and relationships with service providers. Each risk is considered with regard to the controls exercised at Board level, reporting by service providers and controls relied upon by the Board. The company secretary reviews the annual statutory accounts to ensure compliance with the Companies Act and the AIC Code and the audit committee reviews all financial information prior to its publication. The principal features of the internal control systems which the Company has in place in respect of financial reporting include segregation of duties between the review and approval of unquoted investment valuations and the recording of these valuations in the accounting records. Bank reconciliations, cash forecasts and investment valuations are produced on a weekly basis for review by the Manager. Quarterly management accounts are produced for review and approval by the Manager and the Board.

As an externally managed investment trust, the Committee has decided that the systems and procedures employed by the Manager and the Administrator, including their risk management and internal audit functions, provide assurance that a sound system of internal control, which safeguards shareholders' investments and the Company's assets, is maintained. Reports on internal controls from both the Custodian and the Administrator, which are reported on by independent external accountants, are received and reviewed annually. An internal audit function, specific to the Company, is therefore considered unnecessary.

### Non-Audit Services

The audit committee regards the continued independence of the auditor to be a matter of the highest priority. The Company's policy with regard to the provision of non-audit services by the external auditor ensures that no engagement will be permitted if:

- the provision of the services would contravene any regulation or ethical standard;
- the auditor is not considered to be an expert provider of the non-audit services;
- the provision of such services by the auditor creates a conflict of interest for either the Board or the Manager; and
- the services are considered to be likely to inhibit the auditor's independence or objectivity as auditor.



As the Company is a Public Interest Entity listed on the London Stock Exchange, with effect from 1 April 2017, under EU legislation, a cap on the level of fees incurred for permissible non-audit services now applies and should not exceed 70% of the average audit fee for the previous three years.

No non-audit services were provided to the Company by BDO LLP in the year under review (2024: nil).

### **Auditor Assessment and Independence**

The audit committee has managed the relationship with the independent auditor and assessed the effectiveness of the audit process. When assessing the effectiveness of the process for the year under review, the Committee considered the auditor's technical knowledge and that it has a clear understanding of the business of the Company; that the audit team is appropriately resourced; that the auditor provided a clear explanation of the scope and strategy of the audit and that the auditor maintained independence and objectivity. As part of the review of auditor effectiveness and independence, BDO LLP has confirmed that it is independent of the Company and has complied with applicable auditing standards.

BDO's fee in respect of the audit for the year ended 31 January 2025 is £50,000 (2024: £48,000).

Following professional guidelines, the audit partner rotates after five years. As the year ended 31 January 2025 is Peter Smith's fifth year as audit partner, audit partner rotation will occur ahead of the next audit.

Under mandatory rotation rules, the Company is required to put the external audit out to tender at least every ten years. A tender and evaluation process was undertaken in April 2021 and the decision was made for the audit to remain with BDO LLP. The Committee expects to repeat a tender process no later than 2030, with a new auditor to be appointed in respect of the audit for the year ending 31 January 2031, in line with the current audit regulations.

The Committee has recommended to the Board that, subject to shareholder approval at the upcoming AGM, BDO LLP be re-appointed as the External Auditor of the Company for the forthcoming year.

By order of the Board

### **Brian Scouler**

Chairman of the Audit Committee

15 April 2025

## Directors' Remuneration Report

### Introduction

This report has been prepared in accordance with the requirements of the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 (the "Regulations"). The Directors' Annual Report on remuneration will be put to members at the upcoming AGM.

The Company's auditor, BDO LLP, is required to give its opinion on certain information included in this report. The disclosures which have been audited are indicated as such. The auditor's opinion on these and other matters is included in the Independent Auditor's Report on pages 51 to 57.

The Remuneration Committee, chaired by Julia Henderson, comprises the full Board. Given the small size of the Board, this is felt to be appropriate as permitted by the AIC Code. Details of Committee meetings and attendance can be found on page 42.

### Annual Statement from the Chairman of the Committee

Directors' fees are reviewed annually and are set by the Board to attract individuals with the appropriate range of skills and experience. In determining the level of fees, their duties and responsibilities are considered, together with the level of time commitment required in preparing for and attending meetings. The aggregate remuneration which may be paid to all Directors shall not exceed £150,000 per annum. The remit of the remuneration committee is to discuss fees payable to advisers (other than the Company's auditor), the terms of appointment and remuneration of the Directors and make recommendations accordingly to the Board. The Board, on the recommendation of the remuneration committee, agreed to increase annual fees during the year under review, with effect from 1 May 2024, in line with the Consumer Prices Index including owner occupiers' housing costs ("CPIH"), as the Directors felt this indicator represented a more comprehensive measure of inflation. The remuneration committee receives a report on peer group remuneration annually and benchmarks the remuneration of the Directors against this report.

### Directors' Remuneration Policy

In accordance with the requirements of Schedule 8 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008, as amended (the Regulations), an ordinary resolution to approve the Directors' Remuneration Policy was approved at the Company's AGM in 2024. It is proposed that the approved policy remains in force until the AGM in 2027, at which time a further resolution will be proposed. The approved policy is available for inspection by shareholders in the annual report for the year ended 31 January 2024 Annual Report on the Company's website, currently: [www.amatiglobal.com/wp-content/uploads/2024/04/Amati-AIM-VCT-Annual-Report.pdf](http://www.amatiglobal.com/wp-content/uploads/2024/04/Amati-AIM-VCT-Annual-Report.pdf)

### Directors' Annual Report on Remuneration

#### Terms of appointment

No Director has a contract of service with the Company. All of the Directors have been provided with letters of appointment which include details of fees payable. The letters of appointment provide that Directors are subject to re-election by shareholders at the first annual general meeting after their appointment. In accordance with corporate governance best practice, the Board has resolved that all Directors will stand for annual re-election. Their re-election is subject to shareholder approval. The letters of appointment are available for inspection on request from the company secretary. There is no period of notice to be given to terminate the letters of appointment and no provision for compensation upon early termination of appointment.

The following table shows, for each Director, the original appointment date and the annual general meeting at which they may stand for re-election:

Director	Date of original appointment	Due date for re-election
Julia Henderson	4 May 2018	2025 AGM
Brian Scouler	4 May 2018	2025 AGM
Fiona Wollocombe	10 June 2021	2025 AGM

#### Directors' fees for the year (Audited)

The fees payable to individual Directors in respect of the year ended 31 January 2025 are shown in the table below:

Year ended 31 January 2025 (audited)					
	Fees £	Taxable benefits <sup>†</sup> £	Total £	Total fixed remuneration £	Total variable remuneration £
Julia Henderson	27,556	820	28,376	27,556	–
Brian Scouler	29,761	166	29,927	29,761	–
Fiona Wollocombe	31,965	–	31,965	31,965	–
	89,282	986	90,268	89,282	–

Year ended 31 January 2024 (audited)					
	Fees £	Taxable benefits <sup>†</sup> £	Total £	Total fixed remuneration £	Total variable remuneration £
Julia Henderson	26,462	525	26,987	26,462	–
Brian Scouler	28,579	–	28,579	28,579	–
Fiona Wollocombe	30,697	–	30,697	30,697	–
	85,738	525	86,263	85,738	–

<sup>†</sup> Reimbursement of travel expenses

Directors are remunerated exclusively by fixed fees and do not receive bonuses, share options, long-term incentives, pension or other benefits. There have been no payments to past Directors during the financial year ended 31 January 2025, whether for loss of office or otherwise.

## Directors' Remuneration Report (continued)

**Annual percentage change in remuneration of Directors**

Directors' pay has increased over the last five years, as set out in the table below:

	2025 £	2024 £	2023 £	2022 £	2021 £	2020 £	2024- 2025 %	2023- 2024 %	2022- 2023 %	2021- 2022 %	2020- 2021 %
Peter Lawrence**	–	–	10,130	25,378	24,960	24,651	n/a	n/a	n/a	1.67	1.26
Julia Henderson	<b>27,556</b>	26,462	24,500	22,905	22,575	22,295	4.13	8.01	6.96	1.46	1.26
Susannah Nicklin***	–	–	15,333	22,905	22,575	22,295	n/a	n/a	n/a	1.46	1.26
Brian Scouler	<b>29,761</b>	28,579	26,000	22,905	22,575	22,295	4.14	9.92	13.51	1.46	1.26
Fiona Wollocombe*	<b>31,965</b>	30,697	27,019	23,000	–	–	4.13	13.61	17.47	n/a	n/a

\* appointed on 10 June 2021 therefore fee for 2022 is calculated on a pro-rata basis in order to provide a meaningful percentage change.

\*\* resigned on 16 June 2022

\*\*\* resigned on 19 September 2022

The Company does not have any employees and therefore no comparisons are given in respect of employees' pay increases.

**Statement of implementation of Remuneration Policy in respect of the financial year ending 31 January 2025**

The Committee will, as usual, review Directors' fees during 2025, taking account of the time required to be committed to the business of the Company, CPIH increases and benchmarking information for its peer group, and will consider whether any changes to remuneration are required.

**Relative importance of spend on pay**

The table below shows the remuneration paid to Directors and shareholder distributions in the year to 31 January 2025 and the prior year:

	2025 £	2024 £	Percentage increase/ (decrease)
Total dividend paid to shareholders	<b>24,482,938</b>	12,803,519	91.2%
Total repurchase of own shares	<b>4,093,354</b>	2,881,901	42.0%
Total Directors' fees	<b>89,282</b>	85,738	4.1%

**Directors' shareholdings (Audited)**

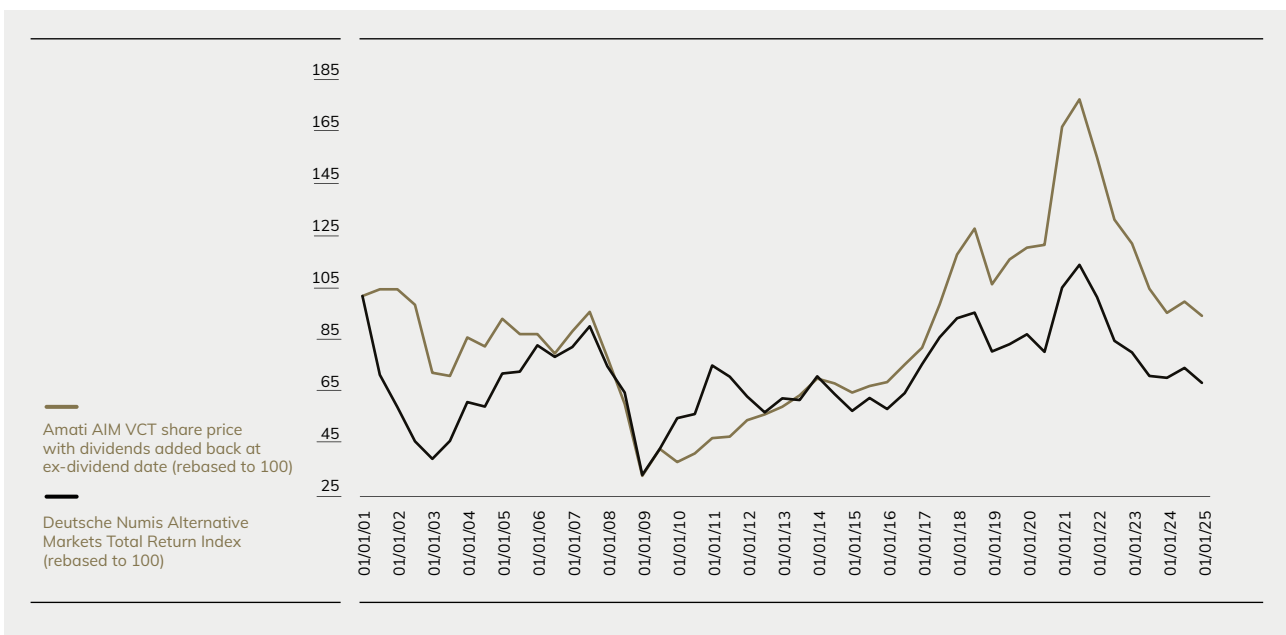
The Directors who held office at 31 January 2025 and their interests in the shares of the Company (including beneficial and family interests) were:

	Year ended 31 January 2025		Year ended 31 January 2024	
	Shares held	% of issued shares capital	Shares held	% of issued shares capital
Julia Henderson	<b>22,376</b>	<b>0.02</b>	22,376	0.01
Brian Scouler	<b>69,341</b>	<b>0.05</b>	69,341	0.05
Fiona Wollocombe	<b>19,763</b>	<b>0.01</b>	19,763	0.01

The Company confirms that it has not set out any formal requirements or guidelines for a Director to own shares in the Company. There have been no changes to the Directors' holdings between the year end and the date of this report.

### Company Performance

The Board is responsible for the Company's investment strategy and performance, although the management of the Company's investment portfolio is delegated to the Manager through the investment management agreement. The graph below compares the Company's share price with dividends added back at the ex-dividend date to the Deutsche Numis Alternative Markets Total Return Index for the period from the launch of the Company. This index was chosen for comparison purposes, as it is the benchmark used for investment performance measurement purposes.



### Shareholder Voting

At the AGM held on 13 June 2024, 92.54% of shareholders voted for, 7.46% voted against and 500,445 shares were withheld in respect of the resolution approving the Directors' Remuneration Report and 92.10% of shareholders voted for the Remuneration Policy with 7.90% voting against and 529,949 shares withheld.

On behalf of the Board

### Julia Henderson

Chairman of the Remuneration Committee

15 April 2025

## Statement of Directors' Responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with UK Financial Reporting Standards and applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the company's financial statements and have elected to prepare the company financial statements in accordance with UK Financial Reporting Standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss for the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK Financial Reporting Standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business;
- prepare a directors' report, a strategic report and directors' remuneration report which comply with the requirements of the Companies Act 2006.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for ensuring that the annual report and accounts, taken as a whole, are fair, balanced, and understandable and provide the information necessary for shareholders to assess the group's performance, business model and strategy.

### Website Publication

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

### Directors' responsibilities pursuant to DTR4

The Directors confirm to the best of their knowledge:

- The financial statements have been prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit and loss of the company.
- The annual report includes a fair review of the development and performance of the business and the financial position of the company, together with a description of the principal risks and uncertainties that it faces.

On behalf of the Board

### Fiona Wollocombe

Chairman

15 April 2025



## Independent Auditor's Report to the Members of Amati AIM VCT plc

### Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 January 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Amati AIM VCT Plc (the 'Company') for the year ended 31 January 2025 which comprise the Income Statement, the Statement of Changes in Equity, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the audit committee.

### Independence

Following the conclusion of a formal tender process in 2021, we were re-appointed by the shareholders at the AGM on 9 June 2021, subsequent to our original appointment by shareholders at the AGM on 14 June 2011 to audit the financial statements for the year ended 31 January 2011 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is 15 years, covering the years ended 31 January 2011 to 31 January 2025. We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Company.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining the company's compliance reports prepared by management's expert during the year and as at year end and reviewing the calculations therein to check that the Company was meeting its requirements to retain VCT status;
- Consideration of the Company's expected future compliance with VCT legislation, the absence of bank debt, contingencies and commitments and any market or reputational risks;
- Reviewing the forecasted cash flows that support the Directors' assessment of going concern, challenging assumptions and judgements made in the forecasts, and assessing them for reasonableness. In particular, we considered the available cash resources relative to the forecast expenditure which was assessed against the prior year for reasonableness; and
- Evaluating the Directors' method of assessing the going concern in light of market volatility and the present uncertainties in economic recovery created by macro-economic factors.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

### Overview

	2025	2024
<b>Key audit matters</b>		
Valuation and ownership of investments	✓	✓
<b>Materiality</b>		
Company financial statements as a whole £1,120,000 (2024: £1,430,000) based on 1% (2024: 1%) of Net assets		

## Independent Auditor's Report (continued)

**An overview of the scope of our audit**

Our audit was scoped by obtaining an understanding of the Company and its environment, including the Company's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

**Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the scope of our audit addressed the key audit matter
<p><b>Valuation and ownership of investments</b> (Note 1, 8, 14 and 15)</p> <p>We considered the valuation and ownership of investments to be the most significant audit area as investments represent the most significant balance in the financial statements and underpin the principal activity of the entity.</p> <p>Incorrect bid prices could be used in the valuation of quoted investments.</p> <p>Incorrect assumptions could be used in the valuation of unquoted investments.</p> <p>Investments could be included in the valuation where the Company does not have title to those investments.</p> <p>There is also an inherent risk of management override arising from the unquoted investment valuations being prepared by the Investment Manager, who is remunerated based on the value of the net assets of the VCT, as shown in note 3.</p> <p>For these reasons we considered the valuation and ownership of investments to be a key audit matter.</p>	<p>We responded to this matter by testing the valuation and ownership of 100% of the portfolio of quoted investments. We performed the following procedures:</p> <p>In respect of quoted investment valuations (90% of the total portfolio by value) we have:</p> <ul style="list-style-type: none"> <li>Confirmed the year end bid price was used by agreeing to externally quoted prices.</li> <li>Obtained direct confirmation of ownership from the custodian regarding all investments held at the balance sheet date.</li> <li>Recomputed the total valuation and compared it to the valuations used by management.</li> <li>Considered whether there are any contra indicators, such as liquidity considerations, to suggest bid price is not the most appropriate indication of fair value by considering the realisation period for individual holdings.</li> </ul> <p>Our unquoted equity investments valuation testing was risk based, having regard to the subjectivity of the inputs to the valuations, the value of individual investments, the nature of the investment and the extent of the fair value movement. In respect of the sample of unquoted investment valuations (remaining 10% of the total portfolio by value) we have:</p> <ul style="list-style-type: none"> <li>Considered whether the valuation methodology was the most appropriate in the circumstances under the International Private Equity and Venture Capital Valuation ("IPEV") Guidelines. Where there was a change in valuation methodology from prior year, we assessed whether the change was appropriate.</li> <li>Reviewed and challenged the assumptions and underlying evidence supporting the year end valuations, to ensure that they are in line with UK GAAP and the International Private Equity Venture Capital Valuation (IPEVCV) Guidelines.</li> <li>Checked that the valuation was based on recent financial information.</li> <li>Considered the change in market multiples and discount applied from prior year and if they are supported by the performance of the underlying investment.</li> <li>Re-performed the calculation of the investment.</li> </ul>

**Key audit matter****How the scope of our audit addressed the key audit matter**

- Agreed and benchmarked key inputs and estimates to independent information.
- Challenged the assumptions inherent in the valuation of unquoted investments and assessed the impact of the estimation uncertainty concerning these assumptions and the disclosure of these uncertainties in the financial statements.
- Where a valuation has been performed by a third-party management's expert, we assessed the competence and capabilities of that expert, the quality of their work and their qualifications, as well as challenging the basis of inputs and assumptions used by the expert.
- Where appropriate, we performed sensitivity analysis on the valuation calculations where there was sufficient evidence to suggest reasonable alternative inputs might exist.

**Key observations**

Based on the procedures performed we consider the valuation and ownership of investments to be appropriate considering the level of estimation uncertainty.

**Our application of materiality**

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

<b>Company financial statements</b>		
	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Materiality</b>	1,120,000	1,430,000
<b>Basis for determining materiality</b>	1% of Net assets	1% of Net assets
<b>Rationale for the benchmark applied</b>	The VCT's portfolio is mainly comprised of quoted investments, which are considered low risk. For a low-risk portfolio where fair values are highly visible, a base line percentage of 1% invested assets would be typical benchmark. We have applied a percentage of 1% of net asset value.	The VCT's portfolio is mainly comprised of quoted investments, which are considered low risk. For a low-risk portfolio where fair values are highly visible, a base line percentage of 1% invested assets would be typical benchmark. We have applied a percentage of 1% of net asset value.

## Independent Auditor's Report (continued)

Company financial statements		
	2025 £	2024 £
<b>Performance materiality</b>	840,000	1,070,000
<b>Basis for determining performance materiality</b>	75% of materiality (approx.)	75% of materiality (approx.)
<b>Rationale for the percentage applied for performance materiality</b>	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.

**Reporting threshold**

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £56,000 (2024: £70,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies

**Corporate governance statement**

The UK Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements, or our knowledge obtained during the audit.

**Going concern and longer-term viability**

- The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 37; and
- The Directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 33.

**Other Code provisions**

- Directors' statement on fair, balanced and understandable set out on page 50;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 43;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 44; and
- The section describing the work of the audit committee set out on page 43.

### Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below:

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#### Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.

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#### Directors' remuneration

In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
  - the financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or
  - certain disclosures of Directors' remuneration specified by law are not made; or
  - we have not received all the information and explanations we require for our audit.
- 

### Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## Independent Auditor's Report (continued)

*Extent to which the audit was capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

*Non-compliance with laws and regulations*

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with the Investment Manager, the Administrator and those charged with governance and the Audit Committee;
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations; and

we considered the significant laws and regulations to be the Companies Act 2006, the FCA listing and Disclosure Guidance and Transparency Rules ( DTR ), the principles of the UK Corporate Governance Code, industry practice represented by the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts ("the SORP") and updated in 2022 with consequential amendments and the applicable financial reporting framework. We also considered the Company's qualification as a VCT under UK tax legislation.

Our procedures in respect of the above included:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries of the Investment Manager, the Administrator and those charged with governance relating to the existence of any non-compliance with laws and regulations;
- Obtaining the VCT compliance reports prepared by management's expert during the year and as at year end and reviewing their calculations to check that the Company was meeting its requirements to retain VCT status; and
- Reviewing minutes of meeting of those charged with governance throughout the period for instances of non-compliance with laws and regulations.

*Fraud*

We assessed the susceptibility of the financial statement to material misstatement including fraud.

Our risk assessment procedures included:

- Enquiry with the Investment Manager, the Administrator and those charged with governance and the Audit Committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the VCT's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud; and
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements.

Based on our risk assessment, we considered the areas most susceptible to fraud to be the valuation of unquoted investments and management override of controls.

Our procedures in respect of the above included:

- In addressing the risk over the valuation of unquoted investments, the procedures set out in the Key Audit Matters section in our report in respect of the valuation of unquoted investments were performed;
- In addressing the risk of management override of control, we:
  - Tested journals posted in the preparation of the financial statements which met a defined risk criteria by agreeing to supporting documentation and evaluating whether there was evidence of bias by the Investment Manager and the Administrator that represented a risk of material misstatements due to fraud;
  - Incorporated unpredictability into our testing by selecting a sample of immaterial expenses that would not otherwise have been selected for testing;
  - Reviewed the significant judgements made in the unlisted investment valuations and considering whether the valuation methodology is the most appropriate;
  - Considered any indicators of bias in our audit as a whole; and
  - Performed a review of unadjusted audit differences, if any, for indications of bias or deliberate misstatement.



We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Peter Smith (Senior Statutory Auditor)

For and on behalf of BDO LLP,

Statutory Auditor

London, UK

15 April 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



## Income Statement

for the year ended 31 January 2025

	Notes	2025 Revenue £'000	2025 Capital £'000	2025 Total £'000	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000
Loss on investments	8	–	(2,889)	(2,889)	–	(44,781)	(44,781)
Investment income	2	<b>2,910</b>	–	<b>2,910</b>	3,196	–	3,196
(Loss)/gain on current asset investments		–	(162)	(162)	–	55	55
Foreign exchange losses		–	–	–	–	(32)	(32)
Management fee	3	(524)	(1,570)	(2,094)	(676)	(2,029)	(2,705)
Other expenses	4	(693)	(14)	(707)	(537)	(13)	(550)
Profit/(loss) on ordinary activities before taxation		<b>1,693</b>	(4,635)	(2,942)	1,983	(46,800)	(44,817)
Taxation on ordinary activities	5	–	–	–	–	–	–
<b>Profit/(loss) and total comprehensive income attributable to shareholders</b>		<b>1,693</b>	(4,635)	(2,942)	1,983	(46,800)	(44,817)
<b>Basic and diluted earnings/(loss) per ordinary share</b>	7	<b>1.14p</b>	(3.12)p	(1.98)p	1.31p	(31.02)p	(29.71)p

The total column of this Income Statement represents the profit and loss account of the Company. The supplementary revenue and capital columns have been prepared in accordance with The Association of Investment Companies' Statement of Recommended Practice ('AIC SORP'). There is no other comprehensive income other than the results for the year discussed above. Accordingly a Statement of Total Comprehensive Income is not required.

All the items above derive from continuing operations of the Company.

The notes on pages 64 to 79 form part of these financial statements.

## Statement of Changes in Equity

for the year ended 31 January 2025

	Non-distributable reserves				Capital reserve (non-distributable)
	Share capital £'000	Share premium £'000	Merger reserve £'000	Capital redemption reserve £'000	£'000
Opening balance as at 1 February 2024	7,553	3,137	425	1,050	(24,643)
(Loss)/profit and total comprehensive income for the year	–	–	–	–	3,392
Contributions by and distributions to shareholders:					
Repurchase of shares	(253)	–	–	253	–
Shares issued	–	–	–	–	–
Costs of share issues	–	–	–	–	–
Dividends paid	–	–	–	–	–
Closing balance as at 31 January 2025	<b>7,300</b>	<b>3,137</b>	<b>425</b>	<b>1,303</b>	<b>(21,251)</b>

for the year ended 31 January 2024

	Non-distributable reserves				Capital reserve (non-distributable)
	Share capital £'000	Share premium £'000	Merger reserve £'000	Capital redemption reserve £'000	£'000
Opening balance as at 1 February 2023	7,578	940	425	908	12,918
(Loss)/profit and total comprehensive income for the year	–	–	–	–	(37,561)
Contributions by and distributions to shareholders:					
Repurchase of shares	(142)	–	–	142	–
Shares issued	117	2,251	–	–	–
Costs of share issues	–	(54)	–	–	–
Dividends paid	–	–	–	–	–
Closing balance as at 31 January 2024	<b>7,553</b>	<b>3,137</b>	<b>425</b>	<b>1,050</b>	<b>(24,643)</b>

The accompanying notes on pages 64 to 79 are an integral part of these financial statements.

for the year ended 31 January 2025

	Distributable reserves			Total reserves £'000
	Special reserve £'000	Capital reserve (distributable) £'000	Revenue reserve £'000	
Opening balance as at 1 February 2024	161,685	(6,131)	2	143,078
(Loss)/profit and total comprehensive income for the year	–	(8,027)	1,693	(2,942)
Contributions by and distributions to shareholders:				
Repurchase of shares	(4,115)	–	–	(4,115)
Shares issued	–	–	–	–
Costs of share issues	–	–	–	–
Dividends paid	(22,791)	–	(1,692)	(24,483)
Closing balance as at 31 January 2025	<b>134,779</b>	<b>(14,158)</b>	<b>3</b>	<b>111,538</b>

for the year ended 31 January 2024

	Distributable reserves			Total reserves £'000
	Special reserve £'000	Capital reserve (distributable) £'000	Revenue reserve £'000	
Opening balance as at 1 February 2023	177,385	3,108	(1,981)	201,281
(Loss)/profit and total comprehensive income for the year	–	(9,239)	1,983	(44,817)
Contributions by and distributions to shareholders:				
Repurchase of shares	(2,896)	–	–	(2,896)
Shares issued	–	–	–	2,368
Costs of share issues	–	–	–	(54)
Dividends paid	(12,804)	–	–	(12,804)
Closing balance as at 31 January 2024	161,685	(6,131)	2	143,078

The accompanying notes on pages 64 to 79 are an integral part of these financial statements.

## Balance Sheet

as at 31 January 2025

	Notes	2025 £'000	2024 £'000
<b>Fixed assets</b>			
Investments held at fair value	8	<b>89,856</b>	98,220
<b>Current assets</b>			
Debtors	9	<b>228</b>	261
Money market funds	9	<b>13,176</b>	30,547
Cash at bank	10	<b>8,963</b>	15,003
		<b>22,367</b>	45,811
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	11	<b>(685)</b>	(953)
		<b>(685)</b>	(953)
Net current assets		<b>21,682</b>	44,858
Total assets less current liabilities		<b>111,538</b>	143,078
<b>Capital and reserves</b>			
Called-up share capital*	12	<b>7,300</b>	7,553
Share premium account*		<b>3,137</b>	3,137
Merger reserve*		<b>425</b>	425
Capital redemption reserve*		<b>1,303</b>	1,050
Capital reserve (non distributable)*		<b>(21,251)</b>	(24,643)
Special reserve		<b>134,779</b>	161,685
Capital reserve (distributable)		<b>(14,158)</b>	(6,131)
Revenue reserve		<b>3</b>	2
<b>Equity shareholders' funds</b>		<b>111,538</b>	143,078
<b>Net asset value per share</b>	13	<b>76.4p</b>	94.7p

\* These reserves are not distributable.

The financial statements on pages 59 to 63 were approved and authorised for issue by the Board of Directors on 15 April 2025 and were signed on its behalf by

**Fiona Wollocombe**

Chairman

Company Number 04138683

The accompanying notes on pages 64 to 79 are an integral part of these financial statements.



## Statement of Cash Flows

for the year ended 31 January 2025

	2025 £'000	2024 £'000
<b>Cash flows from operating activities</b>		
Investment income received	2,118	2,204
Investment management fees paid	(2,233)	(2,957)
Transaction costs	(14)	(13)
Other operating costs	(613)	(559)
Net cash outflow from operating activities	(742)	(1,325)
<b>Cash flows from investing activities</b>		
Purchase of investments	(10,013)	(13,276)
Sale of investments	15,708	12,887
Purchase of current assets	(23,297)	(69,952)
Disposal of current assets	41,132	40,229
Net cash (outflow)/inflow from investing activities	23,530	(30,112)
Net cash (outflow)/inflow before financing activities	22,788	(31,437)
<b>Cash flows from financing activities</b>		
Issue costs	(19)	(35)
Share buy-backs	(4,326)	(2,684)
Equity dividends paid	(24,483)	(10,436)
Net cash (outflow)/inflow from financing activities	(28,828)	(13,155)
<b>(Decrease)/increase in cash</b>	<b>(6,040)</b>	<b>(44,592)</b>
Opening cash & cash equivalents	15,003	59,595
<b>Closing cash &amp; cash equivalents</b>	<b>8,963</b>	<b>15,003</b>
<b>Reconciliation of Loss on Ordinary Activities Before Taxation to Net Cash Outflow from Operating Activities</b>		
Loss on ordinary activities before taxation	(2,942)	(44,817)
Loss on investments	2,889	44,781
Loss/(gain) on current assets	162	(55)
Foreign exchange loss on currency balances	–	32
Less dividends reinvested	(846)	(1,059)
Decrease in creditors	(37)	(275)
Decrease in debtors	32	68
<b>Net cash outflow from operating activities</b>	<b>(742)</b>	<b>(1,325)</b>

The accompanying notes on pages 64 to 79 are an integral part of these financial statements.

## Notes to the Financial Statements

### 1 Accounting Policies

#### Basis of Accounting

The financial statements have been prepared under FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and in accordance with the AIC SORP.

#### Basis of Preparation

The functional currency of the Company is Pounds Sterling because this is the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pounds Sterling rounded to the nearest thousand, except where otherwise indicated.

#### Going Concern

The financial statements have been prepared on a going concern basis and on the basis that the Company maintains its VCT Status.

The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has adequate resources to continue in operational existence for a period of 12 months from the date these financial statements were approved.

In making the assessment, the Directors of the Company have considered the likely impacts of international and economic uncertainties on the Company, operations and the investment portfolio. The Directors also regularly assess the resilience of key third-party service providers, most notably this will include the new Investment Manager and Fund Administrator.

The Directors noted that the Company, with the current cash balance and holding a portfolio of liquid listed investments, is able to meet the obligations of the Company as they fall due. The cash available enables the Company to meet any funding requirements and finance future additional investments. The Company is a closed-end fund, where assets are not required to be liquidated to meet day-to-day redemptions.

The Directors have reviewed stress testing and scenario analysis prepared by the Investment Manager to assist them in assessing the impact of changes in market value and income with associated cash flows. In making this assessment, the Investment Manager has considered plausible downside scenarios. These tests included the modelling of a reduction in income of 50%, increase in costs of 50% and a reduction in net asset value of 50%, any or all of which could apply to any set of circumstances in which asset value and income are significantly impaired. It was concluded that in a plausible downside scenario, the Company could continue to meet its liabilities. Whilst the economic future is uncertain, and the Directors believe that it is possible the Company could experience further reductions in income and/or market value, the opinion of the Directors is that this should not be to a level which would threaten the Company's ability to continue as a going concern.

The Directors are not aware of any material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern, having taken into account the liquidity of the Company's investment portfolio and the Company's financial position in respect of its cash flows, borrowing facilities and investment commitments (of which there are none of significance). Therefore, the financial statements have been prepared on the going concern basis.

#### Segmental Reporting

The Directors are of the opinion that the Company is engaged in a single segment of business, being investment business. The Company primarily invests in companies listed in the UK.

### Judgements and Key Sources of Estimation Uncertainty

The preparation of the Financial Statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts in the financial statements. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities and the allocation of income and expenses that are not apparent from other sources. The nature of estimation means that the actual outcomes could differ from those estimates, possibly significantly.

The most critical estimates and judgments relate to the determination of carrying value of unquoted investments at fair value through profit or loss. The policies for these are set out in the notes to the financial statements below. The Company values unquoted investments by following the International Private Equity Venture Capital Valuation ("IPEV") guidelines. Further areas requiring judgement and estimation are recognising and classifying unusual or special dividends received as either capital or revenue in nature. The estimates and underlying assumptions are reviewed on an ongoing basis. There are no further significant judgements or estimates in these financial statements.

### Income

Dividends receivable on quoted equity shares and money market funds are taken to revenue on an ex-dividend basis except where, in the opinion of the Directors, their nature indicates they should be recognised in the Capital Account. Where no ex-dividend date is quoted, dividends are brought into account when the Company's right to receive payment is established.

Fixed returns on non-equity shares and debt securities are recognised on a time apportionment basis, provided there is no reasonable doubt that payment will be received in due course.

Interest receivable is included in the accounts on an accruals basis. Where interest is rolled up or payable on redemption it is recognised as income unless there is reasonable doubt as to its receipt.

All other income is accounted for on a time-apportioned accrual basis and is recognised in the Income Statement.

Costs in relation to the purchase or sale of investments are recognised as a capital expense.

### Expenses

All expenses are accounted for on an accruals basis. In respect of the analysis between revenue and capital items presented within the income statement, all expenses have been prescribed as revenue items except as follows:

Expenses are split and presented partly as capital items where a connection with the maintenance or enhancement of the value of the investments held can be demonstrated, and accordingly the investment management fee is currently allocated 25% to revenue and 75% to capital, which reflects the Directors' expected long-term view of the nature of the investment returns of the Company.

Issue costs in respect of ordinary shares issued by the Company are deducted from the share premium account.

Transaction costs in relation to the purchase and sale of investments are allocated to capital.

### Taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are only recognised when they arise from timing differences where recovery in the foreseeable future is regarded as more likely than not. Timing differences are differences arising between the Company's taxable profits and its results as stated in the financial statements which are capable of reversal in one or more subsequent periods. Deferred tax is not discounted.

Current tax is expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date and any adjustment to tax payable in respect of previous years. The tax effect of different items of expenditure is allocated between revenue and capital on the same basis as a particular item to which it relates, using the Company's effective rate of tax, as applied to those items allocated to revenue, for the accounting year.

No tax liability arises on gains from sales of fixed asset investments by the Company by virtue of its VCT status.

## Notes to the Financial Statements (continued)

**1 Accounting Policies (continued)****Investments**

In accordance with FRS 102, Sections 11 and 12, all investments held by the Company are designated as held at fair value upon initial recognition and are measured at fair value through profit or loss in subsequent accounting periods. Investments are initially recognised at cost, being the fair value of the consideration given. After initial recognition, investments are measured at fair value, with changes in the fair value of investments recognised in the Income Statement and allocated to capital. Realised gains and losses on investments sold are calculated as the difference between sales proceeds and cost. Transaction costs in relation to the purchase or sale of investments have been recognised as a capital expense.

In respect of investments that are traded on AIM or are fully listed, these are valued at bid prices at close of business on the Balance Sheet date. Investments traded on SETS (London Stock Exchange's electronic trading service) are valued at the last traded price as this is considered to be a more accurate indication of fair value.

Fair values for unquoted investments, or for investments for which the market is inactive, are established by using various valuation techniques in accordance with IPEV guidelines. These are constantly monitored for value and impairment. The fair values are approved by the Board. The shares may be valued by using the most appropriate methodology recommended by the IPEV guidelines, including revenue multiples, net assets, discounted cashflows and industry valuation benchmarks.

Convertible loan stock instruments are valued by determining the present value of future payments, discounted at a market interest rate for a similar loan. This method considers the specific details of each debt, including the coupon rate, time to expected repayment, changes in credit risk, and other market conditions. The option is valued using the Black-Scholes model.

The valuation of the Company's investment in WS Amati UK Listed Smaller Companies Fund is based on the published share price. The valuation is provided by the Authorised Corporate Director of the fund, Waystone Fund Managers Limited.

**Foreign Currency**

Foreign currency assets and liabilities are translated into sterling at the exchange rates ruling at the balance sheet date. Transactions during the year are converted into sterling at the rates ruling at the time the transactions are executed. Any gain or loss arising from a change in exchange rate subsequent to the date of the transaction is included as an exchange gain or loss in the capital reserve or the revenue account depending on whether the gain or loss is of a capital or revenue nature.

**Financial Instruments**

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are recognised on trade date when the Company becomes a party to the contractual provisions of the instrument. All financial instruments are designated upon initial recognition as held at fair value through profit or loss, and are measured at subsequent reporting dates at fair value, with changes in the fair value recognised in the Income Statement and allocated to capital.

Financial instruments are derecognised on the trade date when the Company is no longer a party to the contractual provisions of the instrument.

**Cash at Bank**

For the purposes of the Balance Sheet, cash comprises cash at bank and demand deposits.

Demand deposits are short term deposits with deposit taking banks readily realisable at the Company's discretion.

For the purposes of the Statement of Cash Flows, cash consists of cash at bank and demand deposits as defined above, net of outstanding bank overdrafts when applicable.

### Current Asset Investments

Current asset investments comprise investments in money market funds and are designated as Fair Value through Profit or Loss. Gains and losses arising from changes in fair value of current investments are recognised as part of the capital return within the income statement and allocated to the capital reserve.

The current asset investments are readily convertible into cash at the choice of the Company within seven days. The money market funds are used to enhance returns on surplus cash awaiting investment. These are actively managed and the performance evaluated by the Investment Manager.

### Debtors

Trade receivables, prepayments and other debtors are measured at amortised cost or estimated fair value, with balances revalued for exchange rate movements. Any losses arising from impairment are recognised in the income statement in other operating expenses upon notification.

### Creditors

Trade payables and accruals are measured at amortised cost and revalued for exchange rate movements.

### Dividends Payable

Final dividends are included in the financial statements when they are approved by shareholders. Interim dividends payable are included in the financial statements on the date on which they are paid.

### Share Premium

The share premium account is a non-distributable reserve which represents the accumulated premium paid on the issue of shares in previous periods over the nominal value, net of any expenses.

### Merger Reserve

The merger reserve is a non-distributable reserve which originally represented the share premium on shares issued when the Company merged with Singer & Friedlander AIM VCT and Singer & Friedlander AIM 2 VCT in February 2006. The merger reserve is released to the realised capital reserve as the assets acquired as a consequence of the merger are subsequently disposed of or permanently impaired. There have been no disposals of these assets during the year.

### Capital Redemption Reserve

The capital redemption reserve represents non-distributable reserves that arise from the purchase and cancellation of shares.

### Special Reserve

The special reserve was created by the cancellation of the share premium account by order of the Court and forms part of the distributable reserves. Distributions may be restricted as determined in accordance with the Companies Act 2006 and HMRC rules specific to venture capital trusts. The following items are taken to this reserve:

- costs of share buybacks; and
- dividends payable to shareholders.

## Notes to the Financial Statements (continued)

**Capital Reserve**

The following are taken to the capital reserve through the capital column in the Income Statement:

Capital reserve – other, forming part of the distributable reserves:

- gains and losses on the disposal of investments and current assets;
- realised exchange gains and losses of a capital nature;
- expenses allocated to this reserve in accordance with the above policies; and
- capital expenses.

**Capital Reserve – investment holding gains, not distributable:**

- increase and decrease in the value of investments and current assets held at the year end; and
- unrealised exchange gains or losses of a capital nature.

**Revenue Reserve**

The revenue reserve represents accumulated profits and losses and any surplus profit is distributable by way of dividends.

**2 Income**

	Year to 31 January 2025 £'000	Year to 31 January 2024 £'000
Dividends from UK companies	<b>819</b>	835
Dividends from money market funds	<b>1,293</b>	1,372
UK loan stock interest	<b>376</b>	253
Interest from deposits	<b>422</b>	736
	<b>2,910</b>	3,196

**3 Management Fees**

The Manager provides investment management and fund accounting and administration services to the Company under an Investment Management Agreement ("IMA") and a Fund Administration, Secretarial and Fund Accounting Agreement ("FASSFAA"). Details of these agreements are given on page 23.

Under the IMA the Manager receives an investment management fee of 1.75% of the net asset value of the Company quarterly in arrears.

The Company received a rebate of its management fee for the investment in the WS Amati UK Listed Smaller Companies Fund.

The investment management fee for the year was as follows:

	Year to 31 January 2025 £'000	Year to 31 January 2024 £'000
Due to the Manager by the Company at 1 February	605	857
Investment management fee charged to revenue and capital for the year	2,094	2,705
Fees paid to the Manager during the year	(2,233)	(2,957)
Due to the Manager by the Company at 31 January	466	605

In addition to the investment management fee the Manager also received a fund accounting and administration fee of £82,000 (2024: £78,000) paid quarterly in arrears. See note 4.

No performance fee is payable in respect of the year ended 31 January 2025, as the Manager has waived all performance fees from 31 July 2014 onwards.

Annual running costs are capped at 3.5% of the Company's net assets. If the annual running costs of the Company in any year are greater than 3.5% of the Company's average net assets over the period, the excess is met by the Manager by way of a reduction in future management fees. The annual running costs include the Directors' and Manager's fees, professional fees and the costs incurred by the Company in the ordinary course of its business (but excluding any commissions paid by the Company in relation to any offers for subscription, any performance fee payable to the Manager, irrecoverable VAT and exceptional costs, including winding-up costs). Annual running costs as a percentage of net assets are 2.0%.

There was no excess of expenses for the year ended 31 January 2025 nor for the prior year.

#### 4 Other Expenses

	Year to 31 January 2025 £'000	Year to 31 January 2024 £'000
<b>Income:</b>		
Directors' remuneration	89	86
Directors' employer's national insurance	9	3
Directors' expenses	3	1
Auditor's remuneration – audit of statutory financial statements	50	50
Administration fee	82	78
Company secretarial services	56	55
Other expenses	404	264
Total income expenses	693	537
<b>Capital:</b>		
Transaction costs on investment transactions charged to capital	14	13
Total	707	550

The Company has no employees. The Directors are therefore the only key management personnel.

Details of Directors' remuneration are provided in the audited section of the directors' remuneration report on page 47.



## Notes to the Financial Statements (continued)

**5 Tax on Ordinary Activities****5a Analysis of charge for the year**

	Year to 31 January 2025 £'000	Year to 31 January 2024 £'000
Charge for the year	–	–

**5b Factors affecting the tax charge for the year**

	Year to 31 January 2025 £'000	Year to 31 January 2024 £'000
Loss on ordinary activities before taxation	<b>(2,942)</b>	(44,817)
Corporation tax at standard rate of 25.00% (2024: 24.03%)	<b>(736)</b>	(10,770)
Effect of:		
Non-taxable dividends	<b>(205)</b>	(201)
Non-taxable losses on investments	<b>722</b>	10,748
Movement in excess management expenses	<b>215</b>	212
Non-deductible expenses	<b>4</b>	11
Tax charge for the year (note 5a)	–	–

Due to the Company's tax status as an approved Venture Capital Trust, deferred tax has not been provided on any capital gains arising on the disposal or valuation of investments as such gains are not taxable. We remain of the view that the provisions of CTA 2009 sections 396 and 641 apply to treat any gains/losses on loan instruments as taxable under the chargeable gains provisions in TCGA 1992 and further exempt the VCT from tax under the provisions in s100.

No deferred tax asset has been recognised on surplus management expenses carried forward as it is not envisaged that future taxable profits will be available against which the Company can use the benefits. The amount of unrecognised deferred tax asset is £7,252,000 (31 January 2024: £7,047,000) based on a corporate tax rate of 25%.

**6 Dividends**

Amounts recognised as distributions to equity holders during the year:

	2025 Revenue £'000	2025 Capital £'000	2024 Revenue £'000	2024 Capital £'000
Special dividend for the year ended 31 January 2025 of 10.00p per ordinary share paid on 10 June 2024	–	<b>14,918</b>	–	–
Interim dividend for the year ended 31 January 2025 of 2.50p per ordinary share paid on 25 October 2024	<b>1,692</b>	<b>2,003</b>	–	–
Second interim dividend for the year ended 31 January 2025 of 1.50p per ordinary share paid on 17 January 2025	–	<b>2,201</b>	–	–
Second special dividend for the year ended 31 January 2025 of 2.50p per ordinary share paid on 17 January 2025	–	<b>3,669</b>	–	–
Final dividend for the year ended 31 January 2023 of 3.50p per ordinary share paid on 21 July 2023	–	–	–	5,275
Interim dividend for the year ended 31 January 2024 of 2.50p per ordinary share paid on 24 November 2023	–	–	–	3,761
Second interim dividend for the year ended 31 January 2024 of 2.50p per ordinary share paid on 12 January 2024	–	–	–	3,768
	<b>1,692</b>	<b>22,791</b>	–	12,804

Set out below are the interim and final dividends paid or proposed on ordinary shares in respect of the financial year:

	2025 Revenue £'000	2025 Capital £'000	2024 Revenue £'000	2024 Capital £'000
Special dividend for the year ended 31 January 2025 of 10.00p per ordinary share (2024: 0.00p)	–	<b>14,918</b>	–	–
Interim dividend for the year ended 31 January 2025 of 2.50p per ordinary share (2024: 2.50p)	<b>1,692</b>	<b>2,003</b>	–	3,761
Second interim dividend for the year ended 31 January 2025 of 1.50p per ordinary share (2024: 2.50p)	–	<b>2,201</b>	–	3,768
Second special dividend for the year ended 31 January 2025 of 2.50p per ordinary share (2024: 0.00p)	–	<b>3,669</b>	–	–
	<b>1,692</b>	<b>22,791</b>	–	7,529

## 7 Earnings per Share

	2025			2024		
	Net profit/ (loss) £'000	Weighted average shares	Basic and diluted Earnings per share pence	Net profit/ (loss) £'000	Weighted average shares	Basic and diluted Earnings per share pence
Revenue	<b>1,693</b>	–	<b>1.14</b>	1,983	–	1.31
Capital	<b>(4,635)</b>	–	<b>(3.12)</b>	(46,800)	–	(31.02)
Total	<b>(2,942)</b>	<b>148,415,333</b>	<b>(1.98)</b>	(44,817)	<b>150,837,712</b>	<b>(29.71)</b>

## 8 Investments

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Opening cost as at 1 February 2024	111,689	–	11,542	123,231
Opening investment holding losses	(19,551)	–	(5,232)	(24,783)
Opening unrealised loss recognised in realised reserve	(228)	–	–	(228)
Opening fair value as at 1 February 2024	<b>91,910</b>	–	<b>6,310</b>	<b>98,220</b>
Analysis of transactions during the year:				
Purchases at cost*	7,531	–	2,702	10,233
Transfer to Level 3	(5,959)	–	5,959	–
Disposals – proceeds received	(15,151)	–	(557)	(15,708)
– realised gain/(loss) on disposals	3,781	–	(10,235)	(6,454)
– unrealised gains/(losses) during the year	(663)	–	4,228	3,565
Closing fair value as at 31 January 2025	<b>81,449</b>	–	<b>8,407</b>	<b>89,856</b>
Closing cost as at 31 January 2025	101,891	–	9,411	111,302
Closing investment holding losses as at 31 January 2025	(20,214)	–	(1,004)	(21,218)
Closing unrealised loss recognised in realised reserve at 31 January 2025	(228)	–	–	(228)
Closing fair value as at 31 January 2025	<b>81,449</b>	–	<b>8,407</b>	<b>89,856</b>
Equity shares	81,449	–	3,900	85,349
Convertible loan notes	–	–	4,507	4,507
Closing fair value as at 31 January 2025	<b>81,449</b>	–	<b>8,407</b>	<b>89,856</b>

\* Includes £10.0m invested in qualifying holdings.

## Notes to the Financial Statements (continued)

**8 Investments (continued)**

Holdings of ordinary shares in unquoted companies rank pari passu for voting purposes.

The Company received £15,708,000 (2024: £12,904,000) from the sale of investments in the year. The book cost of these investments when they were purchased was £22,162,000 (2024: £21,831,000). These investments have been revalued over time and until they were sold any unrealised gains/(losses) were included in the fair value of the investments.

	2025 £'000	2024 £'000
Realised gains/(losses) on disposal	<b>2,676</b>	(8,927)
Unrealised losses on investments during the year	<b>(5,565)</b>	(35,854)
Net losses on investments	<b>(2,889)</b>	(44,781)

**Transaction Costs**

During the year the Company incurred transaction costs of £nil (31 January 2024: £nil) on purchases and £14,000 (31 January 2024: £13,000) on disposal of investments. These amounts are included in capital expenses as disclosed in the Income Statement.

**9 Current assets: Debtors and money market funds**

	2025 £'000	2024 £'000
Prepayments and accrued income	<b>228</b>	261
Money market funds	<b>13,176</b>	30,547
	<b>13,404</b>	30,808

**10 Cash at bank**

	2025 £'000	2024 £'000
Cash at bank	<b>2,963</b>	3,003
Cash on deposit	<b>6,000</b>	12,000
	<b>8,963</b>	15,003

**11 Creditors: Amounts Falling due within One Year**

	2025 £'000	2024 £'000
Payable for share buybacks	–	212
Fundraising costs	–	19
Accruals and other payables	<b>685</b>	722
	<b>685</b>	953

The Company at 31 January 2025 had no commitments to invest in qualifying holdings (2024: £1,000,000).

**12 Share Capital**

	2025 Number	2025 £'000*	2024 Number	2024 £'000*
Ordinary shares (5p shares)				
Allotted, issued and fully paid at 1 February	<b>151,069,824</b>	7,553	151,548,993	7,578
Issued during the year	–	–	2,351,086	117
Repurchase of own shares for cancellation	<b>(5,060,044)</b>	(253)	(2,830,255)	(142)
At 31 January	<b>146,009,780</b>	7,300	151,069,824	7,553

\* Nominal value

During the year a total of 5,060,044 ordinary shares of 5p each were purchased by the Company at an average price of 80.9p per share.

Further details of the Company's share capital and associated rights are shown in the Directors' Report on page 36.

### 13 Net Asset Value per Ordinary Share

	2025			2024		
	Net assets £'000	Ordinary shares	NAV per share pence	Net assets £'000	Ordinary shares	NAV per share pence
Ordinary share	<b>111,538</b>	<b>146,009,780</b>	<b>76.4</b>	143,078	151,069,824	94.7

### 14 Significant Interests

The Company has the following significant interests (amounting to an investment of 3% or more of the equity capital of an undertaking):

	% held
Lifesafe Holdings plc	16.7
Northcoders Group plc	13.8
Xeros Technology Group plc	12.8
Feedback plc	11.4
Velocity Composites plc	10.5
Fadel Partners, Inc	10.3
Tan Delta Systems plc	9.9
Ixico plc	9.3
One Media iP Group plc	8.0
Aurrigo International plc	7.6
Cordel Group plc	7.6
Block Energy plc	7.0
Intelligent Ultrasound plc	6.7
Itaconix plc	5.8
Hardide plc	5.7
Zenova Group plc	5.5
Ensilica plc	5.1
Verici DX plc	5.0
Sosander plc	5.0
Fusion Antibodies plc	4.9
Water Intelligence plc	4.7
Windar Photonics plc	4.3
Kinovo plc	3.4
Getech Group plc	3.1
Eden Research plc	3.1
Strip Tinning Holdings plc	3.1

## Notes to the Financial Statements (continued)

**15 Financial Instruments**

The Company's financial instruments comprise equity and fixed interest investments, cash balances and liquid resources including debtors and creditors. The Company holds financial assets in accordance with its investment policy to invest in qualifying investments predominantly in AIM traded companies, money market funds, or companies to be traded on AIM.

**Classification of financial instruments**

The Company held the following categories of financial instruments at 31 January:

	2025 £'000	2024 £'000
Assets at fair value through profit or loss:		
Investments	<b>89,856</b>	98,220
Money market funds	<b>13,176</b>	30,547
Cash at bank and demand deposits	<b>8,963</b>	15,003
Creditors (amounts due within one year) measured at amortised cost:		
Payable for share repurchases outstanding	–	(212)
Accrued expenses and other payables	<b>(685)</b>	(741)
Total for financial instruments	<b>111,310</b>	142,817

The investments are measured at fair value through profit or loss. The Company's investing activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risk to which the Company is exposed are market risk, credit risk, currency and liquidity risk. The nature and extent of the financial instruments outstanding at the balance sheet date and the risk management policies employed by the Company are discussed below.

The Company measures fair values using the following fair value hierarchy into which the fair value measurements are categorised. A fair value measurement is categorised in its entirety on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset as follows:

**Level 1** – the unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

**Level 2** – inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

The Company's level 2 assets are valued using models with significant observable market parameters.

**Level 3** – inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Level 3 fair values are measured using a valuation technique that is based on data from an unobservable market. Discussions are held with management, statutory accounts, management accounts and cashflow forecasts are obtained, and fair value is based on multiples of revenue.

The table below sets out the fair value measurement of financial instruments as at the year end, by the level in the fair value hierarchy into which the fair value measurement is categorised:

**Financial assets at fair value**

	Year ended 31 January 2025				Year ended 31 January 2024			
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Equity shares	<b>81,449</b>	–	<b>3,900</b>	<b>85,349</b>	91,910	–	2,151	94,061
Convertible loan notes	–	–	<b>4,507</b>	<b>4,507</b>	–	–	4,159	4,159
Money market funds	<b>13,176</b>	–	–	<b>13,176</b>	30,547	–	–	30,547
	<b>94,625</b>	–	<b>8,407</b>	<b>103,032</b>	122,457	–	6,310	128,767

The fair value of investments are derived as follows:

For quoted securities this is the bid price or, in the case of SETS securities, the last traded price. The Company's Level 1 investments are AIM traded and fully listed companies. Investments in WS Amati UK Listed Smaller Companies Fund are based on the published fund mid-price NAV.

Unquoted investments are valued by the Directors using rules consistent with IPEV guidelines. Where there is no observable input the investments are designated as Level 3 and the fair values determined as follows:

Equity shares are valued by using revenue multiples, net assets, discounted cashflows and industry valuation benchmarks. These multiples are derived from a basket of comparable quoted companies, with appropriate discounts applied. These discounts are subjective, based on the Manager's experience and assessment of disclosures made by the underlying investee company.

Convertible Loan Notes (CLNs) are fair valued using the present value of future cashflows using appropriate discount rates, benchmarking and assessing market transactions of similar CLNs. Further to this the fair value and interest accrued of the CLNs will be referenced to the assessment of disclosures made by the underlying investee company, (for example management accounts and forecasts), the terms of the agreement and referenced to the underlying assets held by the investee company. The inputs and information utilised in determining the fair value are subjective and based upon the Manager's experience. The fair values are reviewed by the Directors using rules consistent with IPEV guidelines. The details of the CLNs' fair value and interest are noted in the Investment Portfolio on pages 16 to 18.

Money market funds are fair valued at the latest published price.

Details of movements in Level 3 financial assets are set out below:

**Level 3 financial assets at fair value**

	Year ended 31 January 2025			Year ended 31 January 2024		
	Equity shares £'000	Convertible loan notes £'000	Total £'000	Equity shares £'000	Convertible loan notes £'000	Total £'000
Opening balance at 1 February	<b>2,151</b>	<b>4,159</b>	<b>6,310</b>	166	4,577	4,743
Transfer from/(to) Level 1	<b>5,959</b>	–	<b>5,959</b>	(4)	–	(4)
Purchases at cost	<b>1,722</b>	<b>980</b>	<b>2,702</b>	2,000	500	2,500
Disposal proceeds	<b>(10)</b>	<b>(547)</b>	<b>(557)</b>	–	–	–
Total net losses recognised in the income statement	<b>(5,922)</b>	<b>(85)</b>	<b>(6,007)</b>	(11)	(918)	(929)
<b>Closing balance at 31 January</b>	<b>3,900</b>	<b>4,507</b>	<b>8,407</b>	2,151	4,159	6,310

## Notes to the Financial Statements (continued)

**16 Risks**

The identified risks arising from the financial instruments are market risk (which comprises market price risk and foreign currency risk), liquidity risk and credit and counterparty risk.

The Board and Investment Manager consider and review the risks inherent in managing the Company's assets which are detailed below.

**17 Market Risk**

Market risk arises from uncertainty about the future prices of financial instruments held in accordance with the Company's investment objectives. It represents the potential loss that the Company might suffer through holding positions by the way of price movements, interest rate movements, exchange rate movements and systematic risk (risk inherent to the market, reflecting economic and geopolitical factors).

The Company's strategy on the management of market risk is driven by the Company's investment objective as outlined on page 21. The management of market risk is part of the investment management process. The Board seeks to mitigate the internal risks by setting policy, regular reviews of performance, enforcement of contractual obligations and monitoring progress and compliance with an awareness of the effects of adverse price movements through detailed and continuing analysis, with an objective of maximising overall returns to shareholders. Investments in unquoted stocks and AIM traded companies, by their nature, involve a higher degree of risk than investments in the Main Market. Some of that risk can be mitigated by diversifying the portfolio across business sectors and asset classes. The Company's overall market positions are regularly monitored by the Board and at quarterly Board meetings.

**Market price risk**

Market price risk arises from any fluctuations in the valuation of investments held by the Company. Adherence to investment policies mitigates the risk of excessive exposure to any particular type of security or issuer. The portfolio is managed with an awareness of the effects of adverse price movements through detailed and continuing analysis with the objective of maximising overall returns to shareholders.

The assessment of market risk is based on the Company's portfolio as held at the year end. The assessment uses the AIM All-Share Index as a proxy for the AIM Qualifying Investments and quoted Non-Qualifying Investments and illustrates, based on historical price movements, their potential change in value to the AIM All-Share Index.

The review has also examined the potential impact of a movement in the market on the CLN investments held by the Company, whose values will vary according to the value of the underlying security into which the loan note instrument has the option to convert.

Investments of £81,449,000 as at 31 January 2025 are traded (31 January 2024: £91,910,000). A 30% decrease in stock prices as at 31 January 2025 would have decreased the net assets attributable to the Company's shareholders and increased the loss for the year by £24,435,000 (31 January 2024: £27,573,000); an equal change in the opposite direction would have increased the net assets attributable to the Company's shareholders and reduced the loss for the year by an equal amount.

The money market funds as at 31 January 2025 £13,176,000 (31 January 2024: £30,547,000) are not subject to significant market volatility through predominantly holding cash with regulated institutions.

As at 31 January 2025 8.2% (31 January 2024: 4.9%) of the Company's investments are in unquoted companies held at fair value. A change in market and company specific inputs that would result in a 30% decrease in the fair value of unquoted investments at 31 January 2025 would have decreased the net assets attributable to the Company's shareholders and increased the loss for the year by £2,522,000 (31 January 2024: £1,893,000); an equal change in the opposite direction would have increased the net assets attributable to the Company's shareholders and reduced the loss for the year by an equal amount.



### Currency risk

The Company's performance is measured in sterling, a proportion of the Company's assets may be either denominated in other currencies or are in investments with currency exposure. Any income denominated in a foreign currency is converted into sterling upon receipt. At the Balance Sheet date, the Company had no exposure to any foreign currency (31 January 2024: £nil). The Company may have exposure through investee companies.

This exposure is representative at the Balance Sheet date and may not be representative of the year as a whole.

### Interest Rate Risk

Interest rate movements may affect the level of income receivable on cash deposits, any fixed interest securities and money market funds. The Company held seven fixed interest investments of £4,507,000 (2024: £4,159,000), the weighted average interest of the convertible loan interest is 8.34% (2024: 6.08%). The details of the convertible loan notes' terms of agreement, fair value, interest chargeable and provisions are noted in the Investment Portfolio on pages 16 to 18.

Changes in interest rates will impact the fair value of the convertible loan notes due to the changes in inputs changing the present value of future payments and the benchmarking to similar convertible loan notes.

A change in market inputs, through changes in interest rates, that would result in a 1% decrease in the fair value of convertible loan notes at 31 January 2025 would have decreased the net assets attributable to the Company's shareholders and increased the loss for the year by £45,000 (31 January 2024: £41,000); an equal change in the opposite direction would have increased the net assets attributable to the Company's shareholders and reduced the loss for the year by an equal amount, if the level of holding was maintained for a year. The convertible loan notes are fixed interest.

The Company held a cash balance at 31 January 2025 of £8,963,000 (2024: £15,003,000). If the level of cash was maintained for a year, a 1% increase in interest rates would increase the revenue return and net assets by £89,000 (2024: £150,000). Management proactively manages cash balances. If there were a fall of 1% in interest rates, it would potentially reduce revenue of the Company by £89,000 (2024: £150,000).

The Company held £13,176,000 at 31 January 2025 (2024: £30,547,000) in three money market funds. If the level of holdings was maintained for a year, a rise in interest rates of 1% would increase revenue by £132,000 (2024: £305,000) or a fall would reduce revenue by £132,000 (2024: £305,000).

## 18 Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. The carrying amount of financial assets best represents the maximum credit risk exposure at the balance sheet date. At 31 January 2025, the financial assets exposed to credit risk, representing convertible loan stock instruments, amounts due from brokers, accrued income, money market funds and cash amounted to £26,874,000 (31 January 2024: £49,970,000).

Credit risk arising on transactions with brokers relates to transactions awaiting settlement. Risk relating to unsettled transactions is considered to be small due to the short settlement period involved, the high credit quality of the brokers used and the fact that almost all transactions are on a 'delivery versus payment' basis.

The Manager monitors the quality of service provided by the brokers used to further mitigate this risk. All the assets of the Company which are tradeable on AIM are held by The Bank of New York Nominees, the Company's custodian. Bankruptcy or insolvency of the custodian may cause the Company's rights with respect to securities held by the custodian to be delayed or limited.

At 31 January 2025, cash is held at The Bank of New York Mellon (BNYM), in a deposit account at an A+ rated bank, and in three money market funds for the purposes of diversification and risk management. Bankruptcy or insolvency of the institutions may cause the Company's rights with respect to the cash held by it to be delayed or limited. Should the credit quality or the financial position of the institutions deteriorate significantly the Company has the ability to move the cash at short notice. The Board monitors the credit worthiness of BNYM, currently rated at Aa1 (Moody's), and the banks in which deposits are held.

There were no significant concentrations of credit risk to counterparties at 31 January 2025 or 31 January 2024.

## Notes to the Financial Statements (continued)

**19 Liquidity Risk**

Liquidity risk is mitigated by the fact the Company has, at 31 January 2025, £22,139,000 (2024: £45,550,000) in cash and money markets funds, with further readily realisable investments which can be sold to meet funding commitments. The available cash enables the Company to meet any obligations of the Company as they fall due, and finance future additional investments.

The holding of cash is diversified through the holding of a deposit with an A+ rated bank, and money market funds that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

The Company is a close-ended fund, assets do not need to be liquidated to meet redemptions, and sufficient liquidity is maintained to meet obligations as they fall due.

The Company's investments in unlisted equity investments, which are not traded on an organised public market may be illiquid. As a result, the Company may not be able to quickly liquidate some of its investments in these instruments at an amount close to their fair value, or to respond to specific events such as deterioration in the creditworthiness of any particular issuer. The proportion of the portfolio invested in unlisted investments at 31 January 2025, £8,407,000 (2024: £6,310,000) is not considered significant given the amount of cash, money market funds and readily realisable securities.

The Company's liquidity is managed on an ongoing basis by the Manager in accordance with policies and procedures in place as described in the Strategic Report on pages 4 to 33. The Company's overall liquidity risks are monitored on a quarterly basis by the Board.

The maturity profile of the financial liabilities, at 31 January 2025, of £685,000 (2024: £953,000) is that all are due in one year or less.

**20 Capital Management Policies and Procedures**

The Company's capital management objectives are:

- to ensure that it will be able to continue as a going concern;
- to satisfy the relevant HMRC requirements; and
- to maximise the income and capital return to its shareholders.

As a VCT, the Company must have, within 3 years of raising its capital, at least 80% by value of its investments in VCT qualifying holdings, which are relatively high-risk UK smaller companies. In addition at least 30% of new money raised during an accounting period must be invested in qualifying holdings within 12 months of the end of the financial year in which the funds are raised. In satisfying these requirements, the Company's capital management scope is restricted. The Company does have the option of maintaining or adjusting its capital structure by varying dividends, returning capital to shareholders, issuing new shares or selling assets to maintain a certain level of liquidity. There has been no change in the objectives, policies or processes for managing capital from the previous year.

The structure of the Company's capital is described in note 12 and details of the Company's reserves are shown in the Statement of Changes in Equity on pages 60 and 61.

The Board, with the assistance of the Manager, monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

- the need to buy back equity shares for cancellation, which takes account of the difference between the net asset value per share and the share price (i.e. the premium or discount);
- the need for new issues of shares; and
- the extent to which revenue in excess of that which is to be distributed should be retained.

The Company is subject to externally imposed capital requirements:

- a. as a public limited company, the Company is required to have a minimum share capital of £50,000; and
- b. in accordance with the provisions of the Income Tax Act 2007, the Company as a Venture Capital Trust:
  - (i) is required to make a distribution each year such that it does not retain more than 15% of income from shares and securities; and
  - (ii) is required to derive 70% of its income from shares and securities.

These requirements are unchanged since last year and the Company has complied with them at all times.

## 21 Post Balance Sheet Events

The Board has announced a special dividend of 10 pence per share. Full details of the dividend are included in the Chairman's Statement on page 5.

The Company has agreed terms for the early termination of the appointment of the current investment manager and entered into a new investment management agreement with Maven Capital Partners UK LLP. Further details are set out in the Chairman's Statement on page 5.

Since the year end, the Company has announced the proposed appointment of Neeta Patel CBE. Further details on the timing of her appointment will be announced in due course.

The following transactions have taken place between 31 January 2025 and the date of this report: 1,623,155 shares bought back.

## 22 Related Parties

The Company retains Amati Global Investors as its Manager. Details of the agreement with the Manager are set out on page 23. The number of ordinary shares in the Company (all of which are held beneficially) by certain members of the management team are:

	31 January 2025 shares held	31 January 2025 % shares held	31 January 2024 shares held	31 January 2024 % shares held
Paul Jourdan*	<b>632,805</b>	<b>0.43%</b>	632,805	0.42%
David Stevenson	<b>26,753</b>	<b>0.02%</b>	26,753	0.02%

\* includes 26,931 shares held by a Person Closely Associated to Paul Jourdan

The remuneration of the Directors, who are key management personnel of the Company, is disclosed in the Directors' Remuneration Report on page 47, and in note 4 on page 69.

## Shareholder Information

### Share Price

The Company's shares are listed on the London Stock Exchange. The bid price of the Company's shares can be found on the Company's website, currently: [www.amatiglobal.com](http://www.amatiglobal.com).

### Net Asset Value per Share

The Company's net asset value per share as at 31 January 2025 was 76.39p. The Company normally announces its net asset value on a weekly basis. Net asset value per share information can be found on the Company's website, currently: [www.amatiglobal.com](http://www.amatiglobal.com).

### Dividends

As disclosed in the July 2022 interim report, the Company has now moved to paying all cash dividends by bank transfer rather than by cheque.

Shareholders are encouraged to complete a bank mandate form by contacting The City Partnership on 01484 240910 or by email: [registrars@city.uk.com](mailto:registrars@city.uk.com) to allow payment of future dividends and/or previous dividends outstanding.

Shareholders may also register their bank account details themselves in the Amati Investor Hub at <https://amati-aim-vct.cityhub.uk.com>

### Dividend Re-Investment Scheme

The Dividend Re-Investment Scheme remains suspended at present.

### Financial Calendar

<b>September 2025</b>	Half-yearly Report for the six months ending 31 July 2025 to be published
<b>31 January 2026</b>	Year-end

### Annual General Meeting

The Annual General Meeting of the Company will be held on Thursday 19 June 2025 at the Ironmongers' Hall, Shaftesbury Place, Barbican, London EC2Y 8AA starting at 12pm. The Notice of AGM will be posted to shareholders separately in due course.

**Table of Historic Returns from launch to 31 January 2025 attributable to shares issued by the original VCTs which have made up Amati AIM VCT**

	Launch date	Merger date	NAV Total Return with dividends re-invested	NAV Total Return with dividends not re-invested	Deutsche NUMIS Alternative Markets Total Return Index
Singer & Friedlander AIM 3 VCT ('C' shares)	4 April 2005	8 December 2005	5.2%	4.1%	-6.0%
Amati VCT plc	24 March 2005	4 May 2018	68.4%	52.1%	-9.4%
Invesco Perpetual AIM VCT	30 July 2004	8 November 2011	-7.0%	-17.7%	15.1%
Singer & Friedlander AIM 3 VCT*	29 January 2001	n/a	-4.1%	-5.0%	-32.5%
Singer & Friedlander AIM 2 VCT	29 February 2000	22 February 2006	-26.6%	-26.9%	-65.6%
Singer & Friedlander AIM VCT	28 September 1998	22 February 2006	-49.9%	-27.5%	4.8%

\* Singer & Friedlander AIM 3 VCT changed its name to ViCTory VCT on 22 February 2006, to Amati VCT 2 on 9 November 2011 and to Amati AIM VCT plc on 4 May 2018.

## Alternative Performance Measures

An Alternative Performance Measure ("APM") is a numerical measure of the Company's current, historical or future financial performance, financial position or cash flows, other than a financial measure defined or specified in the applicable financial framework.

In selecting these Alternative Performance Measures, the Directors considered the key objectives and expectations of typical investors in an investment trust such as the Company.

The Company uses the following Alternative Performance Measures:

### Discount/Premium

The price of a share is derived from buyers and sellers agreeing a price at which to trade their shares. For Venture Capital Trusts the company is the principal buyer of the shares of sellers via buybacks (see Capital Management in note 20). The share price may not be identical to the NAV per share of the underlying assets less liabilities of the Company. If the share price is lower than the NAV per share, the shares are trading at a discount. Shares trading at a price above NAV per share are said to be at a premium.

Discount calculation	31 January 2025	31 January 2024	
Closing NAV per share (p)	<b>76.4</b>	94.7	(a)
Closing share price (p)	<b>71.5</b>	88.5	(b)
Discount $c = ((a-b)/a) * 100$	<b>6.4%</b>	6.6%	(c)

### Net Asset Value ("NAV") per share

The NAV per share of the Company is the sum of the underlying assets less the liabilities of the Company divided by the total number of shares in issue.

NAV calculation	31 January 2025	31 January 2024	
Net assets (£'000)	<b>111,538</b>	143,078	(a)
Number of Ordinary shares in issue	<b>146,009,780</b>	151,069,824	(b)
NAV $c = (a/b) * 100$	<b>76.4p</b>	94.7p	(c)

### Ongoing charges ratio

All operating costs, of a capital or revenue nature, payable by the Company and expected to be regularly incurred. These exclude the costs of acquisition or disposal of investments, financing charges, and gains or losses on investments. They are the best estimate of future costs. The ongoing charges ratio is the annualised operating costs divided by the average NAV over the period.

Ongoing charges calculation	31 January 2025	31 January 2024	
Management fee (£'000)	<b>2,094</b>	2,705	
Other administrative expenses (£'000)*	<b>693</b>	537	
Less non-recurring expenses (£'000)	<b>(108)</b>	–	
Total management fee and other administrative expenses (£'000)	<b>2,679</b>	3,242	(a)
Average net assets in the year (£)	<b>128,404,905</b>	164,764,687	(b)
Ongoing charges $c = ((a/b) * 100)$	<b>2.1%</b>	2.0%	(c)

\* Excluding transaction costs.

Running costs of 2.0% is calculated equivalent to ongoing charges with irrecoverable VAT of £63,000 (2024: £39,000) excluded.

## Alternative Performance Measures (continued)

**Total Assets**

Total assets include investments, cash, current assets (including money market funds and debtors) and all other assets. An asset is an economic resource, being anything tangible or intangible that can be owned or controlled to produce positive economic value. The total assets less all liabilities is equivalent to total shareholders' funds.

**Total Return**

The return to shareholders calculated on a per share basis by adding dividends paid in the period to the increase or decrease in the Share price or NAV per share in the period. The dividends are assumed to have been re-invested in the form of shares or net assets respectively, on the date on which the shares were quoted ex-dividend and this is accounted for in the "Compounding effect from re-investing dividends line".

NAV total return calculation	31 January 2025	31 January 2024	
Closing NAV per share (p)	<b>76.4</b>	94.7	
Add back final dividend for the year ended 31 January 2024 (2023) (p)	–	3.5	
Add back first special dividend for the year ended 31 January 2025 (2024) (p)	<b>10.0</b>	–	
Add back first interim dividend for the year ended 31 January 2025 (2024) (p)	<b>2.5</b>	2.5	
Add back second interim dividend for the year ended 31 January 2025 (2024) (p)	<b>1.5</b>	2.5	
Add back second special dividend for the year ended 31 January 2025 (2024) (p)	<b>2.5</b>	–	
Compounding effect from re-investing dividends (p)	<b>(0.5)</b>	(0.4)	
Re-stated closing NAV per share assuming dividends reinvested (p)	<b>92.4</b>	102.8	(a)
Opening NAV per share (p)	<b>94.7</b>	132.8	(b)
NAV total return c = (((a/b) * 100) - 100)	<b>(2.4%)</b>	(22.6%)	(c)

**Dividend Yield per share**

The yield is the amount of dividends paid and declared to Shareholders in respect of the current year based on the Net Asset Value at 31 January 2025.

Dividend yield calculation	31 January 2025
Dividends paid and declared in respect of the year per share	<b>16.5p</b>
Shares in issue at 31 January 2025	<b>146,009,780</b>
Total dividends paid and declared in respect of the year	<b>£24,483,000</b>
Net Asset Value	<b>£111,538,000</b>
Dividend yield	<b>22.0%</b>

Notes



Notes

# Corporate Information

## **Directors**

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Julia Henderson  
Brian Scouler

## **all of:**

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Amati Global Investors Limited  
is authorised and regulated by  
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